UNAPPROVED

Session 14-04 a Regular Meeting of the Vessel Haul-Out Task Force was called to order by Chair Howard at 3:35 p.m. on April 21, 2014 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: Howard, Pate, Stockburger, Hawkins, Pitzman, Lewis, Carroll

STAFF: City Manager Wrede

Deputy City Clerk Jacobsen

AGENDA APPROVAL

Chair Howard called for a motion to approve the agenda.

LEWIS/STOCKBURGER SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

Larry Slone, city resident, commented that he doesn't think the city should be in direct competition with free enterprise on this issue. Let them take the risk. The city doesn't have the expertise or resources such as infrastructure, equipment, and staff. The city can manage the lease and give administrative assistance with grant, loans, and permits. The city's biggest problem will be how to structure the lease so that all parties, including the service providers can benefit. The group has touched on Co-op's and public/private partnerships, but is unsure if they have considered a consortium where major industries band together. It will be challenging to establish parameter and performance standards because there are many unknowns for the full scope of the haul out. Another issue is the need for a single supervisory authority to manage the haul out area and the chip pad. It's busy there now, and will get easily congested during peak times with many activities going on.

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RECONSIDERATION

APPROVAL OF SYNOPSIS

A. April 7, 2014 Meeting Synopsis

Chair Howard called for a motion to approve the synopsis.

LEWIS/STOCKBURGER SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

STAFF AND COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

A. Update on Water Treatment at Chip Pad

Harbormaster Hawkins explained that Nelson Engineering has been working on the improvements for water treatment at the chip pad and currently have completed the 65% design. The design is stopped at this point as it needs to be reviewed by DEC to ensure they approve. It has been on the back burner for a while with all the harbor improvement projects that have been going on, but at this point they will probably be picking it up, getting the okay from DEC, and moving forward to the 95% design.

The system will deal with sedimentation issues from what is going on there. They are proposing to set it up like a weir, where sediment will be trapped in the weir. The water could go across to remove the oil. Ultimately the water would be treated to the point it could go a back into the bay. The city would maintain it and would likely charge the user or lessee to offset the cost.

They briefly discussed current activity on the chip pad and basic expectation of the needs of boats that might be placed there to have maintenance done.

Chair Howard noted that this will likely make up a small portion of the report that the group will provide to Council.

B. Marine Trade Benefit

Harbormaster Hawkins commented that over the last week he has talked to the vessel managers and owners about what they thought they might be spending there. A conservative amount being spent by on the boats that are there now is in the range of \$350,000 to \$400,000. There is a big community benefit as there are crews working all over. He is also seeing the wheels turning out in the fleet as Northland is talking about barges coming next year. That is the market they had focused on in developing the CIP project for the barge mooring facility. The original goal of this group is service to our fleet. The air bag haul out has opened a lot of eyes to what can happen here. It doesn't address all of the boat types but it is a good starting place.

Relating to the community impact he explained his thought that what benefits the fleet, will benefit the community. There is a diverse fleet at the Homer harbor and he feels that the more revenue

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streams coming into the enterprise, the healthier your economy is. The vessel haul out is a revenue stream that hasn't been realized before and it's pretty exciting.

There was discussion about systems for barge haul out and that any improvements they do to the ramp area will expand usage and will pay the city back. Capping the area with gravel would be helpful and locating deadmen to assist with the haul out.

C. Viable Options for Haul Out

Harbormaster Hawkins reviewed the barge mooring facility proposal that is included in the Capital Improvement Projects. He talked about the basic idea of being able to service a fleet of vessels that work in northwest Alaska, barges and a landing craft, that service the villages that are looking for winter time mooring for vessels. Vessels could be stored or moored on the beach in the winter and create a ramp where they could land, tie up to the pilings, and haul out, which would facilitate the operation better than what it is now. From there it can be expanded to accommodate deep draft vessels with improvements that enable hauling vessels by trailer to the chip pad and back.

There was brief discussion about the market for inspecting barges and factors like weather and ice pack.

Harbormaster Hawkins said that he talked to Greg Meissner, Wrangell Harbormaster, about Wrangell's facility. It has been in operation for 7 years and their original funding was \$1.7 million through an EDA federal grant and \$1.2 million of city funds to build their first dock and a 200 ton travel lift. State appropriations came in over the years to do improvements like paving over the old mill site, a boat wash station, and dealing with ground water control. They will be taking shipment of their 2nd sling lift machine, a 300 ton lift that they purchased for \$1.3 million. Despite Travel Lift going after them to buy American, they purchased an Italian made machine and saved about \$400,000. The new lift is a wider machine and they had to make adjustments to accommodate their pier. A long range project is to build a pier to accommodate the wider equipment. They talked about the airbag system and Mr. Meissner's responded that if you have a ramp to roll vessels up then you should look at a hydraulic, heavy lift trailer. He didn't get a chance to ask whether they are subsidizing the operation with city or enterprise funds. They supply the personnel to run the lift and the boatyard and the have an approved list of contractors. He was very positive about the project.

D. Memorandum from Chair Howard Re: Vessel Haul-Out Meeting Schedule

The group reviewed the task force meeting schedule provided by Chair Howard. The schedule was amended to remove the July 7th meeting.

INFORMATIONAL ITEMS

COMMENTS OF THE AUDIENCE

Don Lane, city resident, said he owns a deep draft, combination boat that is difficult to haul. He thanked everyone for their work and said he supports this project. He looks forward to a day when he can work on his boat here, instead of having to haul all of his gear to Kodiak on the ferry or to Seward

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by truck. With the money that will be saved in fuel and travel costs, vessel owners can put it back into their boats for upgrades to make them safer and more efficient. This is important work. He talked about the specs of his vessel relating to haul out. He plans to try to attend the meetings and is happy to offer feedback as it is important issue to his bottom line and also in his commitment to the community that he spend his money here if he can. He does have concerns about ensuring waste water is dealt with and best practices are used in the facility. He explained at other facilities, his vessel is hauled out and is washed at a cleaning station where the wastewater is treated, and then it's moved to a location to be blocked. At that point there is no more washing, only work where the debris can be controlled. He also noted that when boats are trailered, they can be placed closer together, and with a travel lift you are restricted to how wide the lift is. That is a concern if you are limited on space.

Larry Slone commented that having heard more information today regarding the idea of the barge mooring facility, he sees that it is more feasibility and city should build infrastructure for it. It sounds like there is some low hanging fruit available there with little risk, and it's a direction they should consider pursuing.

Dan VeerHusen agrees with Mr. Lane's comments and backs what he says. He doesn't know the financial differences of the options available but he knows these things take a lot of energy and money with a lot of years in between. A temporary solution would be an adjustable trailer. If they decide to go with a travel lift, he encouraged that they go with one that is crazily wide, not only for the fatboys, but there are more and more catamarans being used around the world. He talked about the specs of his vessel relating to haul out.

Catherine Ulmer thanked everyone for their work on the task force.

COMMENTS OF CITY STAFF

City Manager Wrede said he is impressed with what is going on down on the spit, and if anyone needs to be convinced that there is a market for this they just have to go down and see all the local guys who are working. He thinks their meeting schedule will work well with the CIP process. If there is a good report with a specific plan and this ranks high on the CIP list, then Council will turn the administration loose to go after this. They can prepare financial packages and start lobbying for funds. He recognized that it does take a while when considering a Travel Lift, but as mentioned earlier in getting the low hanging fruit, he would encourage Council to put in mooring stations for barges and some sort of ramp. At \$500,000 he thinks they should go for that. There are some options for a financing package.

COMMENTS OF THE TASK FORCE

Mr. Pitzman said he appreciates everyone's input today, the fishermen and the City Manager. To him it seems more and more that the harbor is going to have to be the administrators and management of this venture. He doesn't see how private enterprise is going to be able to pull all the pieces together. It's more than just the \$500,000 to put the infrastructure together, but he agrees that the low hanging fruit gives credibility to the whole project. The travel lift would be really beneficial for the varieties of

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hull types. If we can continue and improve what is going on already, we should do it as quickly as we can.

Mr. Lewis had no comments.

Mr. Stockburger commented that is interesting to see all the aspects of what comes into play when the boats are out of the water. It's a lot bigger than just the vessel haul out. It is good to get this started and find ways to fit everyone's needs.

Mr. Carroll is excited about this from the stand point that it's something we can grow in to. The business itself will determine the growth and thinks a day will come when they want a travel lift. With the haul out system now it takes several hours to pull a boat. Hopefully financial indicators will show they need a lift in one area and have barges in the other area. He would like to see them nail down what the city's role will be. He is also interested in having a company talk to them about trailering larger vessels.

Harbormaster Hawkins commented about an email from Wayne Barrowcliff who manages the stevedores that work on the Deep Water and Pioneer Docks. He had another viewpoint about the chip pad and laydown areas, in that those areas have been used to support the dock activity. He wanted to point out that dedicating it to on specific thing creates a cause and effect. The area has been used for a lot of things, and the oil field support is growing there now. Mr. Hawkins said that, personally, he sees how they can make it all work out there, but he wanted to share Mr. Barrowcliff's concerns. This year they have given two quotes for pipeline and rig load out projects. It went to Port Mackenzie. He did another quote for a rig to come in by barge. There is a lot going on in a small area and they need to keep their options open. Lastly he commented that his takeaway from tonight is that he realizes that using the chip pad water treatment would be the solution to vessel wash down is probably not the case. We probably need to have a wash down station someplace in the camp ground area and transport to the pad.

Mr. Pate thanked everyone for their feedback. He agrees that it makes sense to start at one level and grow in to it. He also agrees that with the idea of the harbor being the administrators to some degree. It looks like with a finite amount of money, we can improve on what is happening now. He thinks that before we give this to Council, we need to have a business plan that makes it work. It needs to be simple and concise so that it will be easy to explain when we or the Council are asked about it.

Chair Howard said she will work with the Harbormaster to establish the next agenda. Mr. Hawkins expects to have some information to share relating to equipment.

ADJOURN

There being no further business to come before the Task Force the meeting adjourned at 4:55 p.m. The next regular meeting is scheduled for May 5, 2014 at 3:30 p.m. at the City Hall Conference Room located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK	
Approved:	