VESSEL HAUL-OUT TASK FORCE Regular Meeting



Taurus using the Steel Grid to check damage on the front hull

Friday, May 16, 2014 3:30 P.M. City Hall Conference Room 491 E. Pioneer Ave. Homer, AK 99603



NOTICE OF MEETING REGULAR MEETING

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- 2. APPROVAL OF THE AGENDA
- 3. PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA
- 4. **RECONSIDERATION**
- 5. SYNOPSIS APPROVAL

A. May 5, 2014 Meeting Synopsis **Page 5**

- 6. VISITORS
- 7. STAFF REPORTS
- 8. PUBLIC HEARING
- 9. PENDING BUSINESS
 - A. Marine Industrial Use and Vessel Haul Out at Tr 1-A The Fishin Hole No. 2 Sub. (Pier One Lot)

 Page 9
- 10. NEW BUSINESS
 - A. Memorandum from Port Director Re: Re: Large Vessel Haul-Out Questionnaire Results

 Page 33
 - B. Memorandum from Port Director Re: Suggestions on Large Vessel Haul-Out and Repair Facility Management **Page 41**

11. INFORMATIONAL ITEMS

- A. Resolution 14-015, Appointing the Vessel Haul-out Task Force to Review and Make Recommendations on a Large Vessel Haul-Out and Repair Facility at the Port **Page 43**
- B. Barge Mooring Facility Info from 2014-2019 CIP Page 45
- C. Aerial Picture of Tr 1-A and the Fishing Lagoon **Page 47**
- D. November 26, 2013 Memorandum from Port Director to the Port & Harbor Advisory Commission Re: Potential of Haul-Out & Repair Facility and letters of support/interest

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- E. Task Force Meeting Schedule Page 57
- 12. COMMENTS OF THE AUDIENCE
- 13. COMMENTS OF CITY STAFF
- 14. COMMENTS OF THE TASK FORCE
- **ADJOURNMENT NEXT REGULAR MEETING IS SCHEDULED FOR MONDAY, JUNE 2, 2014** at 3:30 p.m. in the City Hall Conference Room located at 491 E. Pioneer Ave, Homer, Alaska.

UNAPPROVED

Session 14-05 a Regular Meeting of the Vessel Haul-Out Task Force was called to order by Chair Howard at 3:35 p.m. on May 5, 2014 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

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

ABSENT: Pitzman, Stockburger (both excused)

STAFF: Deputy City Clerk Jacobsen

AGENDA APPROVAL

Chair Howard called for a motion to approve the agenda as presented.

LEWIS/PATE SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

RECONSIDERATION

APPROVAL OF SYNOPSIS

A. April 21, 2014 Meeting Synopsis

Chair Howard called for a motion to approve the meeting synopsis.

LEWIS/HAWKINS SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

STAFF AND COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

PUBLIC HEARING

VESSEL HAUL OUT TASK FORCE REGULAR MEETING MAY 5, 2014

PENDING BUSINESS

NEW BUSINESS

A. Follow-up Regarding Meeting with Sea Lift Trailer Manufactures (Hawkins)

Harbormaster Hawkins said he spoke to Darrel Krause, his contact with Sea Lift Trailer Manufactures, and found out the company sold and has since been outsourced to China. Mr. Krause is working for another manufacturing company in Washington and would be interested in talking to the group about something suitable for the project. In talking with him about what is going on now, he suggested we would need a trailer that is not self-propelled, and he would be happy to talk to the group if they would like more information.

There was discussion that they seem to be narrowing the scope of need for this project in targeting the 70 to 100 ton deep draft vessels. The wider flat bottom vessels are more easily accommodated with the air bags.

B. Marine Industrial Use and Vessel Haul Out at Tr 1-A (Pier One Lot)

Harbormaster Hawkins reviewed information that helps define the lineage of how we acquired this land. This information was also provided to the Port and Harbor Advisory Commission at their last meeting.

There was discussion that is it isn't clear whether the general fund or the port enterprise fund made the initial purchase of the property, but they would like it clarified. They also briefly discussed present uses on the lot and would like clarification of the lot boundaries.

C. Draft Business Plan Outline (Pate)

The task force reviewed the assumptions and projections suggested in the draft outline.

They considered that the \$500,000 outlined in the CIP for the barge mooring facility improvements could encompass the first assumption relating to minimal improvements for the area. They talked a bit about a portion of the haul out ramp being paved to accommodate a trailer.

They addressed the assumption of improving the present location for larger vessels, and that upgrading the road, beach area, and installing drains and catch area should be addressed as a separate assumption. They expressed their agreement to assumption 3 that the city will continue to maintain the ramp area and 4, that the city will administer use, leases and other administrative responsibilities. Another assumption could be the intent that the city won't pull the boats; it would be to privatize the operation, but not exclusively.

In looking at the projections, rebuilding and improving the existing road, improving the pad, and installing a catch system for waste and fluids should be addressed in phase 1.

VESSEL HAUL OUT TASK FORCE REGULAR MEETING MAY 5, 2014

They considered the notion of a company who may want to utilize the haul out area using their own air bags or equipment. There are several companies who are equipped to do that. A suggestion was that a portion of the area could be used as an "open shop" for people who have their own equipment and an area that is private with authorized contractors to do the work. They also touched on the idea that the city would likely want to have a lease with a company who will pay a set amount and not a percentage of the profit, to ensure income to the city.

Further discussion related to different scenarios of space usage and leasing.

Harbormaster Hawkins commented that they seem to come back to how we are going to manage the yard, so they need to start answering those questions. He said he will bring back some ideas for discussion at the next meeting. He also reiterated that they are not going to have a storage facility and references in the business plan should be reworded to something more appropriate.

They recapped that in the next packet should include a copy of a plat of the area, the November 26th memo from the Harbormaster to the Port and Harbor Commission, the memo with suggestions on how to manage the yard, and the survey response information. If it is possible to find out how much other haul out operations are being subsidized by their port or city, they would like to see that as well.

D. Outline for Report to Port and Harbor Commission and City Council.

The task force talked about different categories of information to include in their reports to the Port and Harbor Commission and City Council.

- Feasibility, including expense to the city versus revenue to the city, anticipated community impacts, both positive and negative
- Why this task force was called to order
- Documentation the group considered in the process
- Yard management plan
- Mitigating impacts of a year round facility

INFORMATIONAL ITEMS

- A. Resolution 14-015, Appointing the Vessel Haul-out Task Force to Review and Make Recommendations on a Large Vessel Haul-Out and Repair Facility at the Port
- B. Task Force Meeting Schedule

COMMENTS OF THE AUDIENCE

Mike Magill, Vice President of Foss Maritime Company, commented that the group has a great opportunity in front of them. He said in listening to the meeting, they have the same discussions about growing their facilities every day. He thinks in general the group will want to consider, for safety and environmental reasons, partnering with one person, because you will still want to have control of the facility. There is a lot of opportunity and a lot of ways to go about it. Foss has shipyards and partnerships all over the world and while he is unsure of the city's process, Foss would be happy

VESSEL HAUL OUT TASK FORCE REGULAR MEETING MAY 5, 2014

to assist with information the group may need in moving forward. He appreciates the meeting being open to the public so they could sit in and listen.

In response to questions, Mr. Magill says they see potential here. Before becoming involved in a project like this they would want to see the facility is permitted. The permitting from outside entities can slow progress down. If there was a facility here he thinks that not only Foss, but other entities would be very interested in partnering on it. His opinion is that in most cases they would not want another partner besides the city and would want to have control of the space for security, environmental, and safety reasons. He agrees with the concept of long term leasing with a set lease rate, and thinks most of the larger players would agree with that. Foss would be look at serving all of the fleet that does not service in Seattle, including the fishing fleet.

COMMENTS OF CITY STAFF

None.

COMMENTS OF THE Task force

Mr. Carroll commented that they need to start making decisions on structure. They have to figure out where to go and how to get there.

Mr. Hawkins said it was a good meeting.

Mr. Pate agreed that it was a good meeting.

Mr. Lewis said we need to figure out what we want to be responsible for.

Chair Howard suggested that they not accept any new information after the June 16th meeting. That would give them two more meetings to get their thoughts set out.

ADJOURN

There being no further business to come before the Task Force the meeting adjourned at 5:03 p.m. The next regular meeting is scheduled for Friday, May 16, 2014 at 3:30 p.m. at the City Hall Conference Room located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JAC	OBSEN, CMC, I	DEPUTY CITY CLE	RK
Approved:			



Office of the City Clerk

491 East Pioneer Avenue Homer, Alaska 99603

clerk@cityofhomer-ak.gov (p) 907-235-3130 (f) 907-235-3143

Memorandum

TO:

CHAIR ULMER AND THE PORT AND HARBOR ADVISORY COMMISSION

FROM:

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

DATE:

APRIL 17, 2014

SUBJECT:

TR. 1-A, THE FISHIN HOLE SUBDIVISION NO. 2 (PIER ONE LOT)

At the March 26th Port and Harbor Advisory Commission meeting the request was made for information relating to the purchase and intended usage of above mentioned lot.

Included with this memo are the following documents:

- Ordinance 83-26 authorizing the purchase from World Seafood
- Memorandum 85-136 from the Finance Director re: Refinancing of the Property
- Resolution 89-36(A) Reserving land around the lagoon on the spit for recreational purposes with minutes excerpt.

Also included are documents relating to more recent actions regarding the lot:

- Resolution 11-104(A) approving the Pier One lease.
- Objectives for the lot as outlined in the Homer Spit Comprehensive Plan adopted November 2011
- Maps from the Homer Spit Comprehensive Plan showing current land ownership and proposed future land use.
- Resolution 13-020 regarding the Kachemak Bay Water Trail trailhead site.

LAW OFFICES OF HAHN, JEWELL & STANFILL
431 WEST SEVENTH AVENUE, SUITE 212
ANCHORAGE, ALASKA 99501 • TELEPHONE 279-1544
HOMER, ALASKA • TELEPHONE 235-8709

CITY OF HOMER HOMER, ALASKA

ORDINANCE 83-26

AN ORDINANCE AUTHORIZING THE CITY OF HOMER TO PURCHASE CERTAIN LANDS LOCATED ON THE HOMER SPIT FROM WORLD SEAFOODS, INC. AND TO ENTER INTO A CONTRACT THEREFOR REQUIRING THE PAYMENT OF FUNDS FROM AND SUBJECT TO APPROPRIATIONS BY COUNCIL DURING MORE THAN ONE FISCAL YEAR.

WHEREAS, certain lands located on the Easterly side of the Homer Spit have recently become available for purchase, and

WHEREAS, the location of such lands is deemed advantageous to the City because of proximity to the Small Boat Harbor, and

WHEREAS, the City has made an offer to World Seafoods,

Inc. to purchase such lands, which offer has been accepted

subject to the passage of an ordinance approving appropriations

from more than one fiscal year as required under A.S.29.48.190(b),

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. <u>AUTHORIZATION TO PURCHASE</u>. The Common Council of the City of Homer hereby approves the purchase of the hereinafter described real property, from World Seafoods, Inc. and authorizes the City Manager to execute all necessary

documents to consummate said purchase. The lands are described as:

- 1. That portion of Government Lot 17 lying Northeasterly of the Northerly right-of-way of HOMER SPIT ROAD within Section 35, Township 6 South, Range 13 West, Seward Meridian, located in the Homer Recording District, Third Judicial District, State of Alaska;
- 2. At LOT TWELVE (12), EXCEPT that portion taken for highway for Declaration of Taking Recorded June 13, 1967 in Book 44, at Page 342, and that portion of LOT THIRTEEN (13), lying Northerly of the Homer Spit Road as set forth in Declaration of Taking Recorded June 13, 1967, in Book 44, at Page 342, all in Section 35, Township 6 South, Range 13 West, Seward Meridian, in the Homer Recording District, Third Judicial District, State of Alaska;
- 3. Government Lots 11 and 18, Section 35, Township 6 South, Range 13 West, Seward Meridian, in the Homer Recording District, Third Judicial District, excepting therefrom that portion conveyed to the State of Alaska by Warranty Deed recorded August 23, 1966, and rerecorded October 26, 1966, Homer, Recording District.

Section 2. TERMS OF PURCHASE. The total purchase price for the above described lands is \$1,500,000.00 with a down payment of \$250,000.00, an assumption of existing encumbrances in the approximate aggregate amount of \$500,000.00, with annual payments of \$122,000.00 including interest at 10% for a period of approximately ten years on the balance of \$750,000.00. The purchase is contingent upon annual appropriations by the City Council as required by State Law. The purchase is further contingent upon approval of the United States Bankruptcy Court not later than October 1, 1983. Additional terms and conditions are contained in that certain Receipt and Agreement to Purchase dated June 1, 1983, which Agreement is incorporated by this reference as though fully set forth herein, and is hereby approved.

Section 3. <u>SUBSEQUENT APPROPRIATIONS</u>. The Council specifically approves and authorizes the payment of funds for the purchase of the above described lands from the budgetary approprations

LAW OFFICES OF HAHN, JEWELL & STANFILL
431 WEST SEVENTH AVENUE, SUITE 212
ANCHORAGE, ALASKA 99501 • TELEPHONE 279-1544
HOMER, ALASKA • TELEPHONE 235-8709

of more than one fiscal year and the same may be made during the life of the purchase contract subject to annual appropriation by the Council.

CITY OF HOMER

Erle Cooper, Mayor

ATTEST:

Kathleen Herold, City

First Reading: 8/8/83

Public Hearing: 8/22/83

Second Reading: 8/22/83

Effective Date: 8/23/83

Reviewed and approved as to form this 5th day of August, 1983.

City Attorney



REPLY TO:

- City Hall Ph. (907) 235-8121
- Port of Homer
 Ph. (907) 235-8597
- Hurbor Masser
 Ph. (907) 235-8959
- Public Works Dept.
 Ph. (907) 235-8120
- City Engineer . Ph. (907) 235-6368

HOMER, ALASKA 99603-7647

3670 LAKE STREET

MEMORANDUM 85-/36

TO:

Mayor and City Council

FROM:

Christopher L. Newby

DATE:

June 15, 1985

SUBJECT:

World Seafoods Property Note - Refinance

Background

During the recently completed Budget Process, it was determined that refinancing the subject note could decrease the Port's annual cash requirements and, thereby, help reduce the projected Port Fund operating deficit. In this regard, Rainier Bank Alaska has committed to refinance the note with very favorable terms, see copy of commitment letter attached.

Recommendation

Authorize the City Manager to sign the appropriate documents to refinance the World Seafoods Note utilizing Rainier Bank Alaska.

enclosure

CLN/mp

Rainier Bank Alaska, N.A. Pouch 7007 (550 W. 7th Avenue). Anchorage, Alaska 99510-7007 (907) 276-8080

RECEIVED

Chris Newby Finance Director City of Homer 3670 Lake Street Homer, Alaska 99603

City of Homer Finance Dept.

Dear Chris:

Rainier Bank Alaska, N.A. is pleased to make available to the City of Homer a credit facility which will enable the City to refinance land purchased for expansion of your dock and port facilities. This credit facility is subject to the following terms and conditions:

Amount:

\$970,000.

Type:

Term loan secured by land

Amortization:

12 year quarterly amortization, 5 year call

Rate:

70% of RNB Prime fully floating subject to

a cap of 11.5%

Purpose:

To refinance land purchased in 1984 for dock/

port expansion

Tax Indemnification:

If there is a change in the tax law which changes the yield in this note, the rate will be increased (or decreased) to keep the tax equivalent yield at the same level as it was before the change in law

Security:

Loan is secured by Port revenues and by the land

being financed

Documentation:

All necessary legal documentation in form and substance acceptable to the bank, including approving legal opinion from bond counsel.
All legal fees to be paid by the City of Homer.

If you have any questions, please call.

Sincerely,

Marcey Rawitscher

AVP

Public Finance

CITY COUNCIL
REGULAR COUNCIL MEETING
AUGUST 22, 1983 - 3

He suggested that an addendum to his existing agreement could be made which exempts him from the double charge for water outside the City.

Ordinance 83-25, AN ORDINANCE AMENDING TITLE 14, UTILITIES, OF THE HOMER CITY CODE, REPEALING AND RE-ENACTING SECTION 14.04.040 AMENDING THE SCHEDULE OF SEWER RATES AND NAMING AN EFFECTIVE DATE.

ORD 83-25 C/R Sewer Rates

No one spoke regarding this ordinance.

Ordinance 83-26, AN ORDINANCE AUTHORIZING THE CITY OF HOMER TO PURCHASE CERTAIN LANDS LOCATED ON THE HOMER SPIT FROM WORLD SEAFOODS, INC., AND TO ENTER INTO A CONTRACT THEREFORE REQUIRING THE PAYMENT OF FUNDS FROM AND SUBJECT TO APPROPRIATIONS BY COUNCIL DURING MORE THAN ONE FISCAL YEAR.

ORD 83-26 C/R Land Acquisiti.

Stan Sanders, Homer, addressed the Council regarding the purchase of the Homer Spit land. He found it disturbing that the Council could find money for the purchase of this land for the harbor expansion and could not find dollars for funding land purchase to accommodate a Community and Cultural Facility. He spoke about the advisability of purchasing land on the spit which is precariously located in the flood plain and considered to be unstable. Councilman Turkington stated that the land purchase is from a State appropriation.

Gene Effler addressed the Council favoring the purchase of the land for development of the harbor and contingent services.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

PUBLIC COMMENTS ON AGENDA ITEMS

Asaiah Bates commented on items 11 (a), City Hall Facility and 11 (b), Bishop's Beach Access. He reported that approximately 210 community residents collect coal from the Bishop's Beach area; the coal tides are in October and he expressed urgency to do something about there being no public access to the beach. He felt it would be a real community service for an access to be in place.

ORDINANCES

Ordinance 83-23 (a), AN ORDINANCE CALLING FOR A PROPOSITION TO BE INCLUDED ON THE OCTOBER 4, 1983 GENERAL ELECTION BALLOT WHICH PROVIDES FOR THE LEVY OF AN ADDITIONAL ONE PERCENT SALES TAX, THE REVENUES TO BE USED FOR THE OPERATION AND MAINTENANCE BUDGETS FROM THE GENERAL FUNDS OF THE VARIOUS MUNICIPAL FUNCTIONS THAT PROVIDE AREA WIDE SERVICES, SUCH AS THE HOMER MUSEUM, THE DEPARTMENT OF PARKS AND RECREATION, THE DEPARTMENT OF

ORDINANCES

ORD 83-23(a) C/R Sales Tax CITY COUNCIL REGULAR COUNCIL MEETING AUGUST 22, 1983 - 5

WHEREAS (1): Whereas, the accelerated growth of the Homer area has increased the burden of funding upon the City of Homer for the operation and maintenance of the Pratt Museum, the Department of Parks and Recreation, Police, Fire and Rescue Services, Civil Defense and the Homer Public Library, and

Whereas, the levy of a sales tax is an WHEREAS (3): equitable method of obtaining needed funds and property tax relief for the purposes set forth above, and

Section 2: BALLOT PROPOSITION. The ballot for the October 4, 1983 general election shall contain the following proposition:

"Shall the City of Homer levy an additional one percent (1%) sales tax on all sales, rents and services within the City, except as the same may be otherwise exempted by law, (increasing the total City sales tax to 2%); the revenues to be used for the general fund operation and maintenance budgets of various municipal functions that provide area wide services such as the Pratt Museum, the Department of Parks and Recreation, Police, Fire and Rescue Services, Civil Defense and the Homer Public Library."

Mayor Cooper indicated that discussion of Memorandum 83-A-71 be moved to Pending Business so the council could proceed with consideration of ordinances.

Ordinance 83-26, AN ORDINANCE AUTHORIZING THE CITY OF ORD 83-26 HOMER TO PURCHASE CERTAIN LANDS LOCATED ON THE HOMER SPIT FROM WORLD SEAFOODS, INC., AND TO ENTER INTO A CONTRACT, THEREFOR REQUIRING THE PAYMENT OF FUNDS FROM AND SUBJECT TO APPROPRIATIONS BY COUNCIL DURING MORE THAN ONE FISCAL YEAR was read in second reading by the Mayor by title only.

C/R Land Acquisition Spit

TURKINGTON/MOSCH - MOVED FOR ADOPTION OF ORDINANCE 83-26 IN SECOND READING.

Councilman Kosch, land acquisition committee member explained the committees position on acquiring the property as a need for development of the harbor.

VOTE: Yes: Guldseth, Kosch, Matthews, Turkington

Motion carried.

Ordinance 83-27, AN ORDINANCE DETERMINING THAT CERTAIN ORD 83-27 TAX FORECLOSED PROPERTIES DEEDED TO THE CITY OF HOMER BY THE KEMAI PENINSULA BOROUGH BE RETAINED BY THE CITY FOR A Tax Foreclosed PUBLIC PURPOSE; SPECIFIC DESIGNANTED OF PUBLIC PUPPOSE,

C/R Properties HOMER CITY COUNCIL
REGULAR MEETING MINUTES
July 22, 1985 - 6

BE PUT ON THE FLOAT SYSTEM AS DESCRIBED IN MEMORANDUM 85-134

VOTE:

YES:

Snyder, Kosch, Ronda, Calhoun, Evarts, Turkington

Motion carried.

Mayor Kessler called a recess at 8:50 PM and the meeting reconvened at 9:00 PM.

NEW BUSINESS

NEW BUSINESS

A. Memorandum 85-135 Re: Assignment of Lease - Robert T. Proulx dba Bessie M Seafoods, Inc. to International Processing and Brokerage, Inc., David E. Callahan, President

Leases/Bessie M Seafoods to International Proces. & Brok age

Administration recommended the transfer of the lease for Bessie M Seafoods subject to the existing lease to realign the existing structure or otherwise resolve the property line encroachment when development of the adjacent lot occurs.

Karen Berg-Forrester representing the new lessee, David Callahan, told the Council they had applied to the Department of Transportation for additional right-of-way for parking.

RONDA/KOSCH - MOVED TO FOLLOW THE RECOMMENDATION OF ADMINISTRATION AS OUTLINED IN MEMORANDUM 85-135

VOTE:

YES:

Kosch, Snyder, Ronda, Calhoun, Turkington, Evarts

Motion carried.

B. Memorandum 85-136 Re: World Seafoods Property Note - Refinance

Leases/World Seafoods-Refinat

The Manager reported during the budget process the Finance Department was directed to refinance the World Seafoods property, reducing the annual payment by approximately \$71,000 per year. The proposed financing accomplishes that goal.

RONDA/KOSCH - MOVED TO FOLLOW ADMINISTRATION'S RECOMMENDATION AS OUTLINED IN MEMORANDUM 85-136

VOTE:

YES:

Evarts, Ronda, Snyder, Calhoun, Kosch, Turkington

Motion carried.

CITY OF HOMER HOMER, ALASKA

RESOLUTION 89-36(a)

A RESOLUTION OF THE HOMER CITY COUNCIL RESERVING LAND AROUND THE LAGOON ON THE SPIT FOR PUBLIC RECREATIONAL PURPOSES.

WHEREAS, the City of Homer has adopted the Interim Spit Plan which includes the designation of recreation/parking in the vicinity of the lagoon fishing hole on the Spit as well as Pier 1 Theatre; and

WHEREAS, the Parks and Recreation Commission at a special meeting held March 31, 1989 recommended that the City Council reserve the land in the vicinity of the lagoon and Pier 1 Theatre as indicated in the Interim Spit Plan for recreation/parking.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Homer, Alaska that the recreational/parking designation as indicated in the Spit Interim Plan is hereby acknowledge and continued for such period of time as sport fishing in the lagoon and the summer theatre activities at that location continue.

DATED at Homer, Alaska this 10th day of April, 1989.

CITY OF HOMER

John P. Calhoun Mayor

ATTEST:

Patti J. Whalin, City Clerk

questions and also had a recommended change to the resolution. Mr. Strutz advised that he had talked with Borough Mayor Don Gillman who has assured him that if the City formally requested that the 25-acres of land be deed to the City, that he felt it would go through. Mr. Strut requested this amendment be made to the resolution.

HENRY/RINGER - MOVED TO AMEND RESOLUTION 89-34 TITLE FOR T KENAI PENINSULA BOROUGH TO DEED THE TWENTY-FIVE ACRES OF LAN TO THE CITY OF HOMER FOR PUBLIC USE AND NOW THEREFORE CLAUS TO CHANGE WORD CLASSIFY TO DEED.

VOTE: YES: Hanoski, Henry, Gregoire, Ringer, Ronda Calhoun

Motion Carried.

VOTE (Main Amended Motion): YES: Calhoun, Hanoski, Henry Gregoire, Ringer, Ronda

Motion Carried.

PARKS/PUBLIC
USE LAND
Paul Banks Elementary

RESOLUTION 89-35, OF THE HOMER CITY COUNCIL REQUESTING USE PERMIT TO UTILIZE A PORTION OF THE PAUL BANKS SCHOOL PROPERTY FOR PUBLIC USE.

HENRY/CALHOUN - MOVED FOR ADOPTION OF RESOLUTION 89-35 BY READING OF TITLE ONLY.

HENRY/CALHOUN - MOVED TO AMEND RESOLUTION 89-35 TO ADD WORDING TO TITLE AND NOW THEREFORE CLAUSE AFTER USE PERMIT TO READ, OR JOINT USE AGREEMENT.

VOTE: YES: Gregoire, Ringer, Ronda, Calhoun, Hanoski, HEnry

Motion Carried.

RONDA/CALHOUN - MOVED TO AMEND TITLE TO INSERT WORD "PARK" BETWEEN PUBLIC AND USE.

VOTE: YES: Ringer, Ronda, Calhoun, Hanoski, Henry, Gregoire

Motion Carried.

VOTE (Main Amended Motion): YES: Henry, Gregoire, Ringer, Ronda, Calhoun, Hanoski

Motion Carried.

PARKS/PUBLIC RECREATION LAND D. RESOLUTION 89-36, OF THE HOMER CITY COUNCIL RESERVING LAND AROUND THE LAGOON ON THE SPIT FOR PUBLIC RECREATIONAL PURPOSES.

CALHOUN/HENRY - MOVED FOR ADOPTION OF RESOLUTION 89-36 BY READING OF TITLE ONLY.

HOMER CITY COUNCIL REGULAR MEETING MINUTES APRIL 10, 1989

Councilmember Ronda noted that the "disclaimer" at the end of resolution noting that the recreational/parking designation will be continued for only such time as sport fishing in the lagoon and the summer theatre activities continue was needed and was in fact the intent of the Council.

RONDA/CALHOUN - MOVED TO AMEND RESOLUTION 89-36 BY INSERTING THE WORD AT THAT LOCATION BETWEEN ACTIVITIES AND CONTINUE IN THE NOW THEREFORE CLAUSE.

VOTE: YES: Calhoun, Hanoski, HEnry, Gregoire, Ringer, Ronda

Motion Carried.

VOTE (Main Amended Motion): YES: Ronda, Calhoun, Hanoski, Henry, Gregoire, Ringer

Motion Carried.

Nick Dudiak of the Homer Fish & Game Office was present and spoke to Council noting the importance of local government support for fish & game stocking projects to keep the funding for them, such as the lagoon.

RESOLUTION 89-37, OF THE COMMON COUNCIL OF THE CITY OF HOMER ADOPTING REVISIONS TO THE LIBRARY ADVISORY BOARD LIBRARY/ BY-LAWS. (Memorandum 89-106 from Librarian Barbara J. ADVISORY BO. Mauseth.)

BYLAWS

CALHOUN/RONDA - MOVED FOR ADOPTION OF RESOLUTION 89-37 BY READING OF TITLE ONLY.

VOTE: YES: Hanoski, Henry, Gregoire, Ringer, Ronda, Calhoun Motion Carried.

INFORMATIONAL MATERIALS

INFORMATION MATERIALS

- Α. Minutes
 - 1. Planning Commission Minutes of March 29, 1989.
 - Port/Harbor Commission Minutes of March 15, 1989. 2.
 - Parks/Recreation Commission Special Minutes of March 31, 1989.
 - Library Advisory Board Minutes of March 13, 1989.
- В. Staff Reports/Memorandums
 - Memorandum to Council from City Manager, Oil Spill #18 Let 1 update.
- Correspondence C.
 - Letter to Hazel Heath from City Manager dated April from Asst. 1 1. 4, 1989, negotiations for Lot 1, Glacier View #18.
 - Letter to Chief Daugherty from Assist. D/A Shannon 2. Turner dated March 29, 1989, regarding commending Homer Police Department.

EXXON VALDE: OIL SPILL/ UPDATE FROM

City Manage LAND ACQUIS: HAZEL HEATH

Glacierview PUBLIC SAFE HOMER PD Commendation

1	CITY OF HOMER
2	HOMER, ALASKA
3	City Manager/Lease Committee
4	RESOLUTION 11-104(A)
5	
6	A RESOLUTION OF THE CITY COUNCIL OF HOMER,
7	ALASKA, APPROVING A NEW LEASE FOR THE PIER ONE
8	THEATRE FOR A TERM OF FIVE YEARS AND A RENTAL
9	RATE OF ONE DOLLAR PER YEAR AND FINDING THAT IT IS IN THE PUBLIC INTEREST TO AWARD THE LEASE
10 11	WITHOUT A COMPETITIVE BIDDING PROCESS AND AT
12	LESS THAN FAIR MARKET RENT.
13	
14	WHEREAS, The City lease with the Pier One Theatre expires on December 9, 2011 and
15	the Theatre has submitted a proposal for a new lease with the same term and rent as the current
16	lease; and
17	
18	WHEREAS, The Lease Committee considered this proposal at a Special Meeting on
19	November 10, 2011; and
20	
21	WHEREAS, When reviewing the Pier One Proposal, the Committee relied on the
22	proposal evaluation criteria contained in Sections 6.2 (B), 7.2 (A) (4) and 11.2 (F) of the Lease
23	Policies; and
24	
25	WHEREAS, The Lease Committee recommends that a new lease be granted to the Pier
26	One Theatre for a term of five years and a rental rate of \$1.00 per year subject to review by the
27	Planning Department and the State Fire Marshall; and
28	WEITEREAS. The Lease Committee recommends forther that a new lease for less than fair
29 30	WHEREAS, The Lease Committee recommends further that a new lease for less than fair market value and without a competitive bidding process is justified for the reasons outlined in
31	the staff report.
32	the stan report.
33 、	NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves
34	a new lease for the Pier One Theatre for a term of five years and a rental rate of \$1.00 per year,
35	subject to Planning Department and Fire Marshall approval Certificate of Occupancy, and
36	authorizes the City Manager to execute the appropriate documents.
37	
38	BE IT FURTHER RESOLVED that the Council finds that it is in the best interest of the
39	community to approve a lease without a competitive bidding process under Section 11.2 (F) of
40	the Lease Policies for the following reasons:

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- 41 Pier One Theatre has been an excellent tenant and has performed well under the terms of the lease. 42
 - Pier One has made improvements to the building, including improvements requested by the Fire Marshall.
 - The proposed use of the property is compatible with adjacent uses.
 - The proposed use is consistent with the Spit Comprehensive Plan, the Comprehensive Economic Development Strategy, and Resolution 98-36(A).
 - There are substantial economic, social, cultural, and educational benefits which derive from this use.
 - The lease term is short and the City can terminate with 90 days notice.
 - There are few if any alternative uses of the building.
 - The City has yet to develop a long term plan for the property and is therefore not ready to issue an RFP.

BE IT FURTHER RESOLVED that the Council finds that it is in the public interest to approve a lease for less than fair market rent under Section 7.2 (A) (4) for the following reasons:

- History / tradition: The City has leased this building for \$1.00 per year for decades. The Council has consistently determined that it was in the public interest to do so.
- The building was an old harbor building that was ready for destruction. The Theatre salvaged it and made various improvements to make it suitable for its present use. The City has little investment in the building.
- The Theatre is operated by volunteers and has a very limited budget and financial resources. It cannot afford to pay rent at this time.
- The economic, social, cultural, and educational benefits derived from the Theatre's activities are substantial.
- PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2011.

CITY OF HOMER

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OHNSON, CMC, CITY CLERK

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Fiscal Note: Rent \$1.000 per year. No utility costs and minimal maintenance costs.

Goal 1.2 Improve the permanence and character of new commercial development.

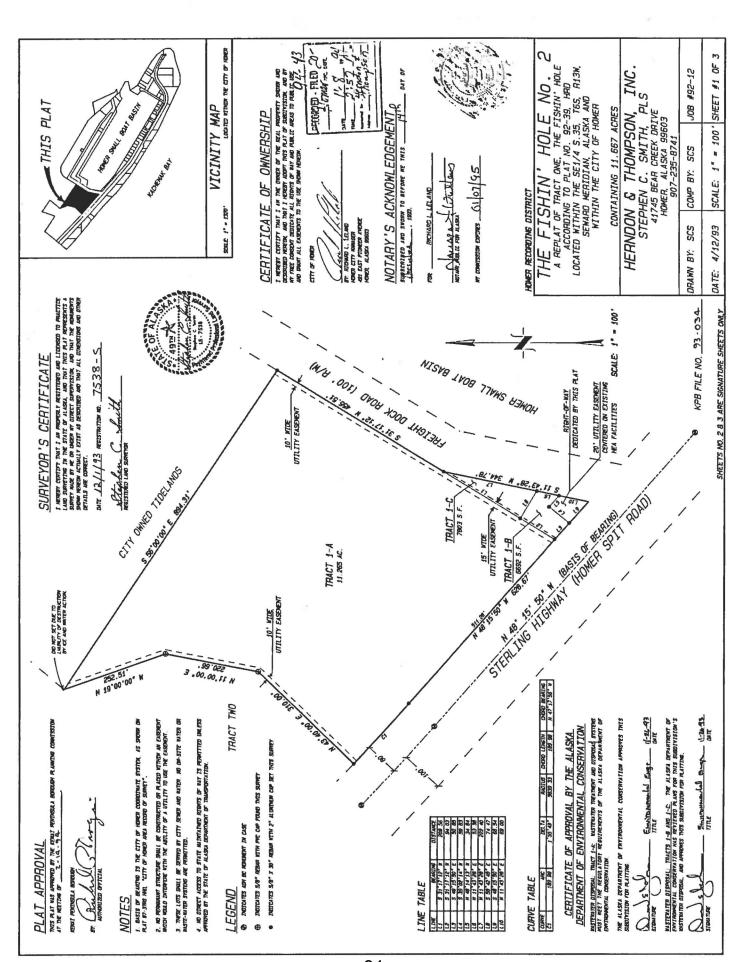
Objective	Strategies	Responsibilities
for public property	Revisit design guidelines for overslope development to provide more specificity for development at harbor overslope, considering issues such as lot size, legal access, and parking policies.	City Council

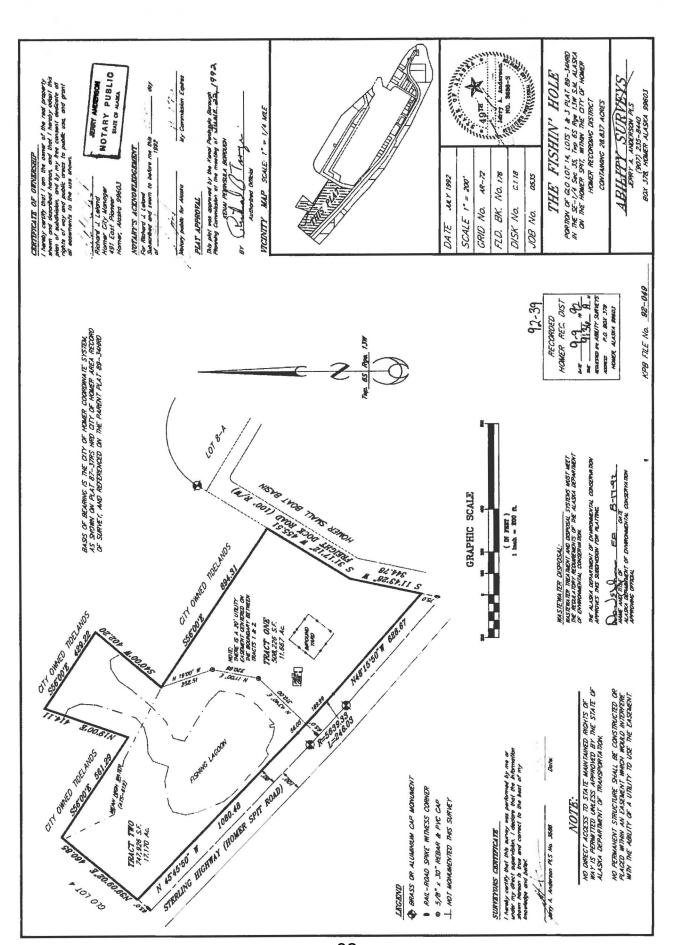
Goal 1.3 Provide public facilities that attract residents and visitors to the Spit.

Objective	Strategies	Responsibilities
Provide amenities that aid residents and visitors	Identify locations and needs for restrooms/showers.	Port and Harbor Department, harbor users, leaseholders
Provide enhanced park and recreation facilities	Identify and prioritize public recreation needs on the spit, and include projects on the CIP. Refer to the Master Parks and Recreation Plan, chapter 7, in the 2008 Comprehensive Plan. Prepare a master plan for development of a new community gathering space at the site of the existing City campground north of Freight Dock Road (pier 1 area). Provide kayak launching facilities. Set aside a new community park. Evaluate and develop a plan for non-boating access to fishing opportunities. Construct weather-protected picnic and outdoor meeting facilities. Open space recreation uses shall be encouraged on the west side of the Spit on public land.	Public Works Department/ Parks and Recreation Division Chamber of Commerce

Goal 1.4 All development should recognize, value, and complement the unique natural resources on the Homer Spit.

Objective	Strategies	Responsibilities
Preserve	Require site-specific handling requirements for all runoff from parking areas.	Planning Department
and protect important	Provide information on preventing the growth of noxious weeds.	Parks and Recreation Division
wildlife and bird	Encourage the use of native plant materials for all landscaped areas.	State of Alaska, DNR Parks
sanctuary areas.	Encourage the presence of interpretive programs to identify plant and animal resources.	Non-profit Organizations
	Clearly sign beach areas designated off-limits for motorized travel.	US Fish & Wildlife Services







Port and Harbor

4350 Homer Spit Road Homer, AK 99603

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Memorandum

TO: VESSEL HAUL-OUT TASK FORCE

FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER & RACHEL TUSSEY,

ADMINISTRATIVE SECRETARY

DATE: MAY 9, 2014

SUBJECT: REPORT ON THE LARGE VESSEL HAUL-OUT QUESTIONNAIRE RESULTS

This memorandum presents the findings of a market research and opinion study that Port and Harbor Staff conducted for the Large Vessel Haul-Out Task Force. Information on how the questionnaire was conducted and how responses were compiled are presented first, followed by the findings of the questionnaire. Staff's comments on the questionnaire's results are discussed lastly.

Questionnaire Conduction & Response Compilation

To determine the potential market group for a large vessel haul-out and repair facility, staff formulated a questionnaire (see attached). This questionnaire and a letter (see attached) was mailed and emailed to recipients using Port and Harbor Marina account information, and also posted on the City of Homer website as a pop-up quiz (link: https://www.surveymonkey.com/s/352RNL6). Our targeted group's characteristics included the following:

- The owner of a vessel that is 58 to 300 feet in length
- The vessel may be too wide (beamy), and too heavy (over 70 displacement tons) for other haul-out facilities
- The owner has utilized Homer's harbor and/or port
- The owner may have difficulty finding local facilities that can haul-out their vessel

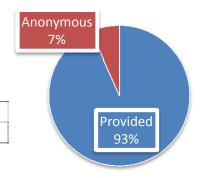
All questionnaires were sent out April 4, 2014 with a 30-day period for collecting, ending May 5, 2014. Combining all questionnaires received in person, by mail, by email, and via the link to the online Survey Monkey, there was a response rate of 22% (45 of 209). All responses were entered into an Excel spreadsheet where total numbers were calculated. Because some questions had more than one response (or none at all), findings are based on the total number of responses given to that particular question.

Findings

Vessel Information

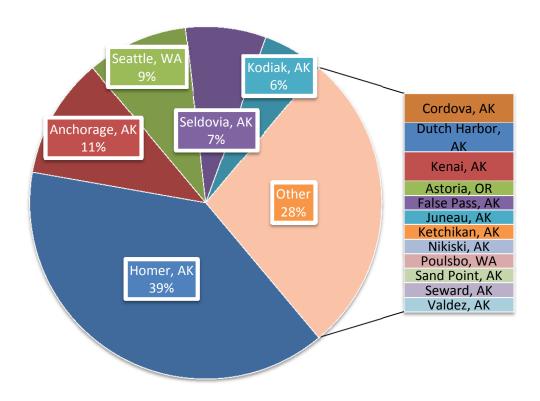
Question 1 & 2: Provided Owner & Vessel Name

Provided	42
Anonymous	3



Question 3: Home Port

Homer, AK	21
Anchorage, AK	6
Seattle, WA	5
Seldovia, AK	4
Kodiak, AK	3
Cordova, AK	2
Dutch Harbor, AK	2
Kenai, AK	2
Astoria, OR	1
False Pass, AK	1
Juneau, AK	1
Ketchikan, AK	1
Nikiski, AK	1
Poulsbo, WA	1
Sand Point, AK	1
Seward, AK	1
Valdez, AK	1

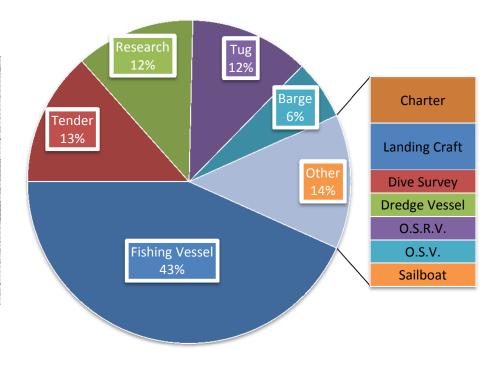


Question 4, 5, & 6: Vessel Length, Beam, & Displacement Tonnage

	Vessel Length	Beam	Displacement Tonnage
Min	58	17	30
Average	101	27	248
Max	250	60	1,500
Most Common	58	20	85

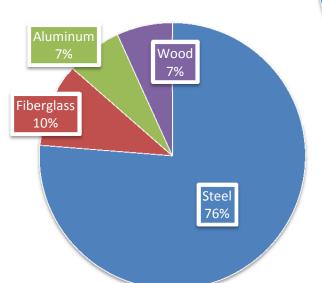
Question 7: Type of Vessel

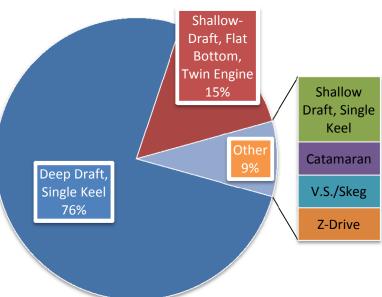
Fishing Vessel	29
Tender	9
Research	8
Tug	8
Barge	4
Charter	2
Landing Craft	2
Dive Survey Vessel	1
Dredge Vessel	1
Oil Spill Response Vessel	1
Offshore Supply Vessel	1
Sailboat	1



Question 8: Hull Shape

Deep Draft, Single Keel	44
Shallow-Draft, Flat Bottom, Twin Engine	9
Shallow Draft, Single Keel	
Catamaran	1
Voith Schneider/Skeg	1
Z-Drive	1



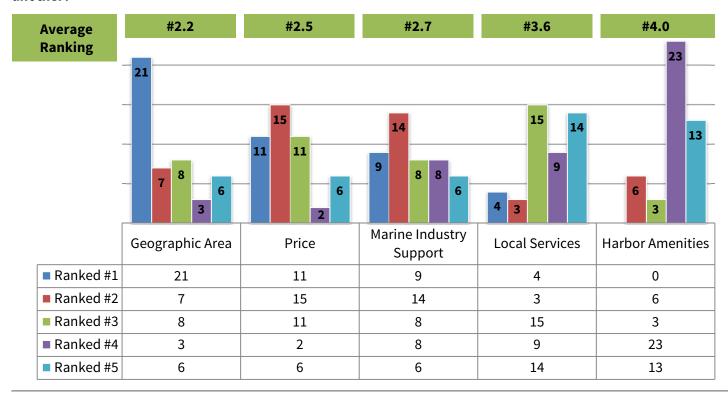


Question 9: Hull Material

Steel	45
Fiberglass	6
Aluminum	4
Wood	4

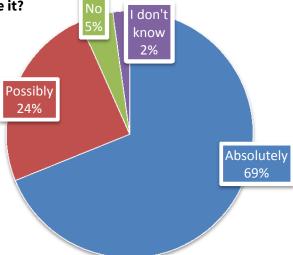
Haul-Out Preferences

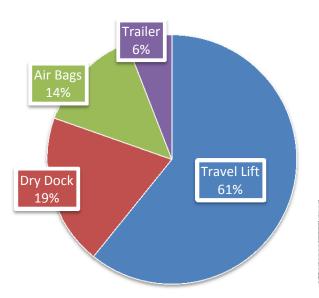
Question 10: When looking for a place to haul out, what motivates you to choose one facility/location over another?



Question 11: If this kind of facility existed in Homer, would you use it?

Absolutely	31
Possibly	11
No	2
I don't know	1



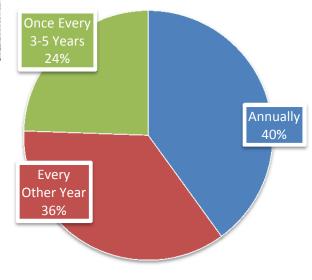


Question 12: What is your preferred method for removing the vessel from the water?

Travel Lift	31
Dry Dock	10
Air Bags	7
Trailer	3

Question 13: In regards to your maintenance/repair schedule, how often would you have your vessel hauled?

Annually	18
Every Other Year	16
Once Every 3-5 Years	11

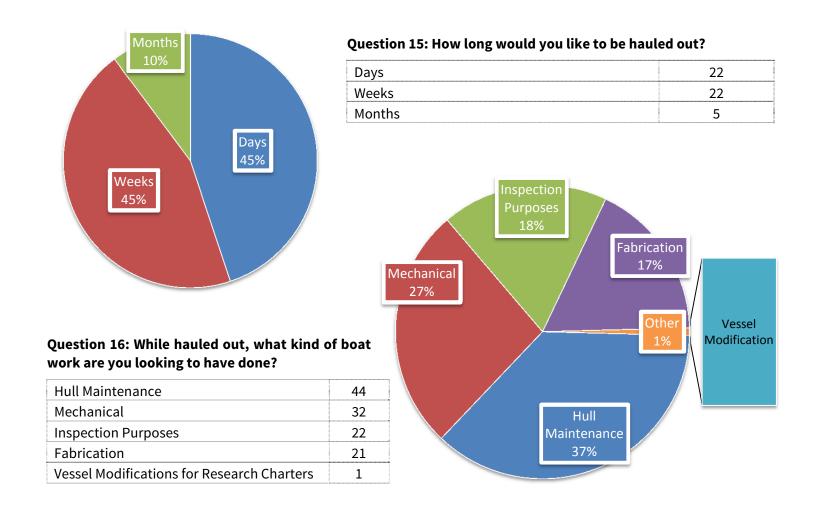


Summer 17%

Spring 48%

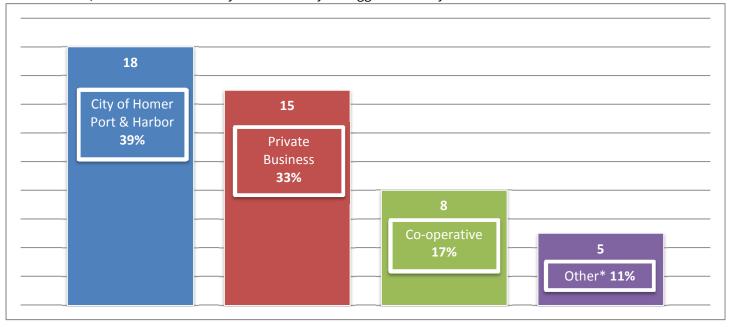
Question 14: What time of the year would you like to be hauled out?

Spring	29
Fall	16
Summer	10
Winter	5



Financing & Ownership of a Homer Spit Haul-Out Facility

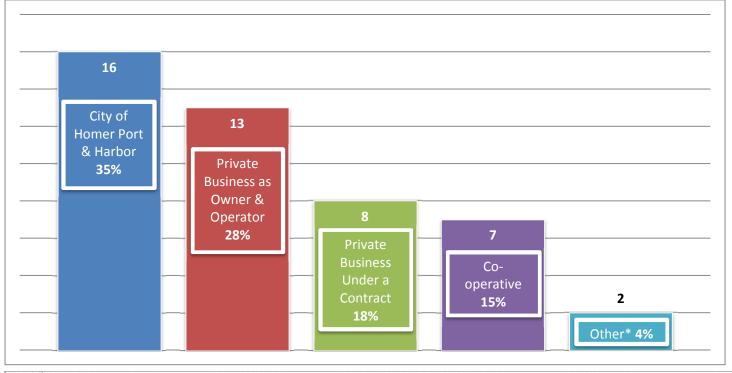
Question 17: Let's say that the City of Homer Port and Harbor offered specific lots in the harbor, at a reasonable lease rate and term, to establish the facility. How would you suggest a facility such as this be funded and owned?



^{*(1)} All of the above but all have problems. Homer would have a short window but fairly decent summer weather. Price is the main deal breaker. Can you afford such a facility to be used 3 months a year?

*(2) I believe the Homer Harbor and Spit should remain a facility to service the commercial and recreational boating community. An industrial barge facility with sandblasting, welding, and heavy industrial use is not the direction the harbor should go. An educational facility to attract visitors, instead of repelling visitors, should be considered.
*(3) I kind of like what is available right now. A couple of small but capable air bag-pulling companies. They have, or seem to find, the appropriate equipment, and the City leases the ground for them to work on.
*(4) A facility like the Port Townsend, WA boat yard.
*(5) Unsure - I have no faith the City of Homer can pull of any project. Seaton has no stroke.

Question 18: If the facility is built, who do you think should operate the haul-out equipment, run the office, and manage the facility overall?

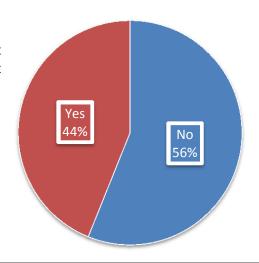


*(1) Do not build this facility.

*(2) Whoever has the best plan for cost effective services.

Question 19: If you were given the opportunity to be a part of a cooperative effort (involving local businesses and vessel owners) that owned, operated, managed, and maintained a large vessel haul-out facility, would you be interested in being a part of it?

No	23
Yes	18



Additional Questionnaire Comments

For **Question 20**, space was given for recipients to leave further comments. Below are all comments, in verbatim, that were submitted to staff.

- Needed
- Great project Keep it moving
- I would haul out more frequently if haul-out was easily available. Currently I have to leave area so requires great deal of organization and effort to be effective with time and money. Operation and management should clearly be monitored by Port and Harbor. I do not wish project to be delayed while waiting for grants and state funding. Give private enterprise or cooperative opportunity to move it forward.
- I'm going to King Cove for next haul out; there last year; Kodiak the year before
- Dry storage lot for large vessels with travel lift service i.e. for winter storage & summer vessel modifications. I have had the R/V Thunder in Seward for 2 years as they offer these services & Homer does not have a good large vessel haul out facility.
- Homer needs a big haul out. I'm 100% for it. Most fisher men that have boats do their work in the fall are spring, so you know Alaska weather, snow, rain, wind, cold, so it would be nice to have like some kind of shelters, and more than one. Not one haul-out in Alaska that I know of have heated, and more than one kind of shelters. Haul outs need shelters; it's a must for the kind of weather we have. If you can have more than one kind of shelter, the haul out will be the best in Alaska and do really good. Thank you.....
- I understand price of travel lift is not economical; air bags would be ok.
- As of now, I wouldn't participate in a cooperative effort.
- Kodiak's facility, although very nice, runs in the red constantly. Prices keep going up with no end in sight. Poor management, too many people wearing harbor dept. clothes, ancillary charges escalating (electric boxes etc.)
- In the present summer facility you should be concerned about the environmental protection that needs to be in place in order to protect the surrounding area from sand blasting a high pressure cleaning remnants and overspray of paint. Using dry cloths under vessels will not in my opinion provide protection from chips and marine growth, etc. staying in that area.
- Homer prides itself in being the "Halibut Capital" and a leading visitor attraction. Creating an industrial shipyard adjacent to the small boat harbor is not the best use of the property. Consider an educational facility to attract visitors from around the world.
- I agree that a travel lift facility is needed however most likely cost prohibitive. Homer has grids that service the fleet now and it is doubtful to me the cost of a travel lift facility could be profitable. You need at minimum a 300 ton lift probably a 500 but then you can end up like Kodiak with a too expensive of a project so the fees are too high and only those that have to go there.
- Sand Blasting would have to be part of the facility.
- A large vessel haul out would be an asset to the City of Homer.
- I may be selling my boat shortly. If you still want to consider my comments, it would be helpful to have a large boat haul out in Homer. Presently, I would have to go somewhere else to haul out. Price is a huge consideration and makes a difference on where I haul out. Please keep the application short. One place has a 19 page application that discourages use of the application and facility; tell your lawyer to keep it short (1 or 2 pages). If a travel lift or crane is used, have flat straps. One place had only round straps that greatly increased the risk of strap chafing on boat edges and keels. Have chalks available publicly. Public ownership is better than private, as private facilities don't seem generally to be as available and affordable as public facilities for whatever reason.
- We currently operate two barges and 3 tugs in Cook Inlet. We now take our tugs to Kodiak to service them. Seward ships has been an expensive and dysfunctional owner but preferable to Kodiak because it is on the road system. Homer is attractive because it is close and on the road system.
- We have tugs from 45 feet to 205 and also some smaller barges too. Always looking for a new idea and a place closer than Seattle / Ketchikan to do the work.
- I would love to see a haul out facility in Homer that could be used at all or most tides. I have 3 similar boats that

would all use the facility. If the city runs it they should be similar to Northern Enterprises and not the City of Seward. Owners must be able to work on their own boats and prices should be reasonable. This facility would attract more business and more opportunity to Homer. Especially in the off season.

- I would have re-powered in Homer if you had a travel lift. The port is well run, you should run the lift.
- I have done vessel work in other communities and Homer has the best marine trade services but no haul out. I have voiced my preference but would be willing to do most anything to make one available in Homer. This would be a huge benefit to the local economy.

Staff's Review of Questionnaire Results

In reviewing the results of the questionnaire, the task force should keep in mind the 22% response rate. This rate does not surprise staff as we have often found this to be the case when trying to survey our workboat fleet. The problem is that they are busy working and many of these owner/operators simply do not have the time, or they are out of town during the survey period.

The results do support the need for hauling both large, deep-draft vessels and large, shallow-draft vessels. And certain comments in the Additional Questionnaire Comments section reflect concerns over the high costs a haul-out facility could bring to vessel owners and the Harbor Enterprise. These concerns just show that our user groups are educated on the challenges and pitfalls involved with bringing this service to Homer.

Overall, this questionnaire supports the haul-out concept. The task force and staff should continue researching haul-out machinery alternatives that provide the service and keep costs affordable for both the user and the Port and Harbor Enterprise. It always comes down to money. If our goal is to run the Harbor Enterprise as a business, Harbor Staff has concerns about justifying a standard haul-out machinery method, such as a travel lift, because of the number of users and the upland's capacity.

Attached: Large Vessel Haul-Out Questionnaire

Letter to Vessel Owners Re: Questionnaire dated April 4, 2014



Port and Harbor

4350 Homer Spit Road Homer, AK 99603

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Memorandum

TO: VESSEL HAUL-OUT TASK FORCE

FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER

DATE: MAY 9, 2014

SUBJECT: RESEARCH ON HAUL-OUT YARD MANAGEMENT OPTIONS

At the previous VHOTF meeting on May 5, 2014, it was requested that I look into different options for managing haulout yards and facilities. I have reviewed the management plans and rate schedules of five municipal harbors' vessel haul-out and repair facilities: Seward, Kodiak, Valdez, Wrangell, and Port Townsend, WA. Staff has compiled a binder to organize the information from each harbor, which will be available at all VHOTF meetings for reference.

As to-date, I have learned that there are two basic methods for managing these facilities: a "Closed Yard" and an "Open Yard". These two basic descriptions each have many variations of what vessel owners can or cannot do while their vessel is hauled out. All the municipally-operated haul-out and repair yards are operated as "Open Yards", where vessel owners are allowed to manage their own repairs, either by hiring contractors from an approved vendor list or by actually performing the task themselves with their ship's crew. "Closed Yard" facilities do not allow vessel owners to make the repairs to their boats; the shipyard employees actually do the work while the vessel owner plays the role of customer and project overseer. From what I have gathered, these two types of yards tend to be either entirely private-owned on private property, or managed as a private enterprise through a long-term lease on public property.

So where does that leave us? I can see that there are advantages and disadvantages to both management methods. One would basically be a hands-off operation that harbor staff would oversee, and the other would require direct harbor staff management and oversight.

Recommendation

At this time, my only recommendation is that the task force reviews our original goals and priorities that set us on this path in the first place. This reflection of goals, as well as reviewing the results of the large vessel haul-out questionnaire, will better aid the group's recommendation on facility management.

1 CITY OF HOMER 2 **HOMER, ALASKA** 3 City Manager/Port and Harbor 4 **Advisory Commission** 5 **RESOLUTION 14-015** 6 7 A RESOLUTION OF THE HOMER CITY COUNCIL APPOINTING A 8 TASK FORCE TO REVIEW AND MAKE RECOMMENDATIONS ON A 9 LARGE VESSEL HAUL-OUT AND REPAIR FACILITY AT THE PORT. 10 11 WHEREAS, The Port and Harbor Advisory Commission has discussed the possibility of 12 a vessel haul-out and repair facility at the port; and 13 14 WHEREAS, There are options of building a vessel haul-out and repair facility that is 15 either privately owned or enterprise-owned; and 16 17 WHEREAS, The benefits and challenges of building such a facility can be explored in 18 more detail by a task force; and 19 WHEREAS, A task force can review and discuss all facets of a vessel haul-out and repair 20 facility and provide recommendations to Council. 21 22 23 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council supports the establishment of a task force to review and make recommendations on a large vessel haul-24 25 out and repair facility. 26 27 BE IT FURTHER RESOLVED that the committee will consist of seven members, two representatives from the Homer City Council (to be appointed by the Mayor and approved by 28 the Council), the Harbormaster, two members from the Port and Harbor Advisory 29 Commission (to be selected by the Port and Harbor Advisory Commission), and two members 30 31 of the marine trades. Other staff members will provide administrative and consultative 32 support as requested by the task force or directed by the City Manager. 33 34 BE IT FURTHER RESOLVED that the task force will establish its own work schedule, provide a recommendation to Council no later than October 1, 2014, and shall be disbanded 35 when the scope of work is complete. 36 37 BE IT FURTHER RESOLVED that the City Clerk is authorized to advertise for parties 38 39 interested in serving as representatives of the marine trades. 40

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Page 2 of 2 RESOLUTION 14-015 CITY OF HOMER

PASSED AND ADOPTED by the Homer City Council this 13 th day of January, 2014.	
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44 - 46-4	CITY OF HOMER
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47	MaryEwythe
48	MARY E. WYTHE, MAYOR
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50 ATTEST:	
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55 JO JOHNSON, MMC, CITY CLERK	
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57 Fiscal Note: Staff time and advertising costs.	
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59	



Barge Mooring Facility

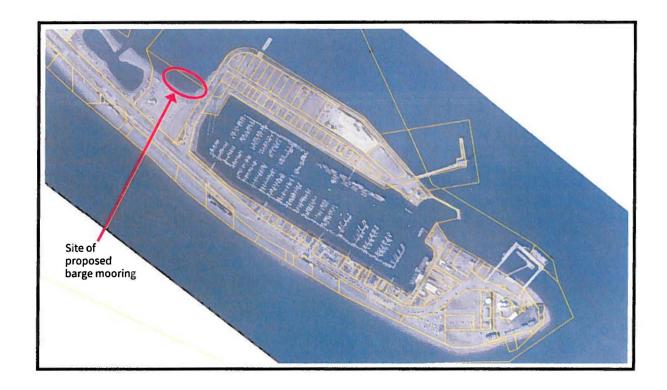
Project Description & Benefit: Constructing a barge mooring facility at Lot TR 1A (east of the Nick Dudiak Fishing Lagoon) will meet the growing freight needs of existing Homer businesses and attract additional large vessel business. The mooring facility will consist of a row of piles driven perpendicular to the beach that extend down through the tidal area in conjunction with a stern anchoring system and bollards above the high water line. This proposed improvement will provide secure moorings for vessels that cannot currently be accommodated within the harbor's basin due to lack of space. The project is a response to requests from vessel owners/managers seeking safe moorage and uplands haulout area for large industrial freight barges.

Total Project Cost (2014): \$540,000

Design and Engineering (2013): \$54,000

Construction (2014): \$486,000

FY2015 State Request: \$486,000 (10% City of Homer Match: \$48,600)











Port and Harbor

4350 Homer Spit Road Homer, AK 99603

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Memorandum

TO:

PORT & HARBOR ADVISORY COMMISSION

FROM:

BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER

DATE:

NOVEMBER 26, 2013

SUBJECT:

POTENTIAL PORT OF HOMER HAUL-OUT & REPAIR FACILITY

At their meeting on October 30, 2013, the Port and Harbor Commission asked to discuss the future possibility of a vessel haul-out and repair facility at the Homer Port and Harbor. Over past few weeks, I have had many discussions with various harbor user groups and other harbor entities/businesses about such a facility. The feedback I have received has been very informative and positive. There has been a substantial amount of support from Homer Marine Trades Association for such a facility, as well as vessel owners that represent the large 70+ ton vessel class.

Here are a few pros/cons of the Homer Harbor building a vessel haul-out and repair facility:

Pros/Benefits	<u>Cons/Challenges</u>
 Large benefit to the community. Benefits are well 	• Looking at other harbors that operate their haul-
documented by looking at other harbors that have	out/repair facility, their fee structure does not fully
haul-out/repair facilities.	support the facility, causing a financial burden on their
Provides a new tax base for the City.	harbor enterprise.
Creates a new revenue stream for the Harbor	Environmental aspects such as permitting, cleaning
Enterprise.	vessels, treating water, etc.
Offers a facility for larger vessels to haul out for	Organizing the logistics of who will be running the
repairs that currently have to travel outside of	harbor enterprise-owned facility: the City or a privately-
Homer for this service.	owned business.
Will be capitalizing on the Chip pad, which is a	Seeking the funding needed to purchase a travel lift and
harbor asset that is currently being underused.	build facility/dock infrastructure.

Concerns and Suggested Options

Many harbors own, manage, run, and maintain their boat yard and haul out facilities. These communities have funded the construction of the facilities using direct appropriations and/or grants from federal and state sources. A main problem these harbors have experienced is the municipal government fees aren't enough to operate and maintain the facility on their own, creating a financial burden on the enterprise and all other harbor users. Even though we know there will be large financial benefits to the community and to select vessel owners, we need to be mindful that this haulout and repair facility will really only serve a small portion of our overall harbor users. Other vessel owners who use private haul-out facilities could object to having any cost burdens passed on to them.

Option A: Enterprise-owned and operated shipyard and haul out: At this time, our harbor is not staffed or trained to run or manage our own facility. If we were to move ahead and run it ourselves, we would need to create another harbor department requiring additional staffing, training, and a full maintenance program. Organizing the creation of a new department is doable, but I would like to be up front and stress the fact that if we choose to operate and maintain the facility using harbor staff, my priority would be to set it up as an independent enterprise that would account for true

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operations, maintenance, and replacement costs. Our primary goal for this endeavor should be to ensure that the vessel haul-out and repair facility is financially self-supportive and does not become a burden on the harbor enterprise, while at the same time supporting a much-needed facility for our large vessel fleet. In turn, it will generate jobs and commerce here in town.

Option B: Privately-owned and operated shipyard and haul out: Another possibility would be to create a public-private partnership (PPP) wherein the City dedicates the use of Lot 20 for travel lift access and provides a favorable lease for part or all of the Chip Pad (Lot 12) to a company that would make the investment into building the infrastructure needed to haul, move, and oversee all shipyard activities. The benefits of this option are, because it is a privately-owned business, the company providing the service would be responsible for the, training, maintenance, billing, operation costs. This option would be another stand alone business provided needed services to the Homer fleet and a very low financial risk to the harbor enterprise. An industry need, supplied by industry, facilitated by the enterprise.

Recommendation

Staff requests the commission's feedback on this potential vessel haul-out and repair facility.

Page 2 of 2

Rachel Tussey

From: Michael.Demaray@crowley.com [mailto:Michael.Demaray@crowley.com]

Sent: Friday, March 23, 2012 10:56 AM **To:** Department Port and Harbor

Subject: Homer Barge Mooring Facility and Haul out Proposal

Good morning,

This facility that would be available to commerce to use the air bags for dragging out boats and barges would be a good thing. But you wouldn't be able to have permanent deadmen bollards across the beach access because that is where the air bags would have to roll up. The pilings are a great idea so you can lay the airbags out at low tide and then bring the vessels in to go dry on top of the bags making the start of pulling the vessels pretty easy. An idea for a deadman would be to have it just buried in the ground with only cable sticking out above ground or placing the bollards a couple of hundred feet inland on the beach and running cables from them. Once the vessels are on the bags, they can be turned and directed away from the bollards or deadmen.

Mike Demaray Manager, Engineering Crowley Marine Services 907-777-5567 From: Michael Terminel [mailto:michael.terminel@chouest.com]

Sent: Sunday, April 15, 2012 10:17 PM

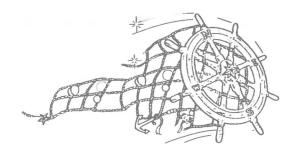
To: Rachel Tussey

Subject: Re: Barge Mooring Facility

Rachel,

I have looked at the drawing and spoke with the Harbor Master as well last week. I believe that your intentions have merit. We have a serious inadequate infrastructure in our ports and harbors in Alaska, Last week i also testified at the Ocean Policy hearing with Sen. Begich and RAdm Ostebo to this very fact. It is in my best judgement that this is a step in the right direction. I would be happy to come to a Council Meeting and give testimony, We "our company" bring a lot of economic value to the community of Homer, we are consumers of hotels , groceries, supplies and the list goes on. Any infrastructure upgrades will be utilized 110%.

Michael Terminel
Edison Chouest Offshore
michael.terminel@chouest.com
863-414-3127 cell
907-360-2145 office



Alaskan Dream Ventures

Bryan Hawkins Homer Port Director/Harbor Master 4350 Homer Spit Rd Homer, Alaska 99603-8005

Date 10/19/12

8430 Mary Esther Dr Eagle River, AK 99577 T 907-862-8010 F 907-694-2413 info@alaskandreamventures.com Dear Bryan,

In reference to our conversation regarding a possible haul-out and beach access ramp here on the spit it would be a wonderful addition to the port facilities. At present we have two options for haul out work on our vessels, either Seward or Anchorage. To be able to haul out here in our home port of Homer would not only be an economic advantage but a logistic one as well.

If we at Alaskan Dream Ventures can be of any service to you as this idea goes forward please contact us.

X

Robert Hulse

Sincerely yours,

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COOK INLET MARINE, LLC

Post Office Box 470 • Homer, AK 99603

T: (907) 235-8086 • C: (907) 299-1628 • F: (907) 235-5242 • E: crandall@alaska.net



October 29, 2010

Matt Clarke
Deputy Harbormaster
Port of Homer
4350 Homer Spit Road
Homer, AK 99603

Regarding: Beach Moorage at Homer

Dear Matt,

We are interested in mooring our barge, the Lash 200, on the beach at Homer this winter. The Lash 200 is a 200' x 54 deck barge.

Normally we moor the barge on a mooring in Kachemak Bay during the March to November period. Winter ice conditions in Kachemak Bay often make the off shore moorage a risky option. As a result, we typically secure the barge on the beach along the Homer Spit for the winter months.

Past Arrangements:

For the last several years Northstar Terminal, which manages the Homer Spit Marine Terminal (HSMT), has provided beach locations to moor our barge. Previously HSMT had a large, grounded, derelict barge, the Heavy Hauler, located on the beach adjacent to their facility, providing for a convenient and secure tie-up location for both for our barge and others. Alternatively, when not utilizing the Heavy Hauler location, Northstar provided open beach locations, typically installing two shore based tie-up points, consisting of large earth moving equipment or buried anchors. We provided an off shore tie-up point by placing a large anchor and chain astern of the barge.

Besides ourselves, numerous other barge owners and commercial fishing vessel owners have utilized the beach at HSMT.

Current Circumstance:

This year the Heavy Hauler barge at HSMT was dismantled and removed. At the same time, the Port of Homer has indicated it will begin charging for all beach moorage on the Homer Spit. We are, therefore, interested in arranging a secure beach moorage with the Port of Homer.

Beach Moorage Configuration:

A secure beach moorage arrangement for a barge of this size requires two well secured tie-up points on the beach above the high tide line and a third tie-up point off shore, astern of the barge. For us, at a minimum, a useful configuration would be two adequately sized piling driven, or dug, to a secure depth on the beach end. We would place and anchor and chain off shore for the seaward tie-up.

A more useful configuration would be a row of four or five pilings, perpendicular to the beach, extending down through the tidal area, eliminating the necessity of an off shore anchor and allowing use at various tide levels.

Location:

The two obvious candidates would be the beach adjacent to Pier I Theatre or the beach adjacent to the HSMT. Either would be adequate but the area adjacent to HSMT would probably be the more useful to us for several reasons:

1. We generally do our annual repair and maintenance while the barge is beached and often need convenient access to Northstar's equipment such as cranes, loaders and forklifts.

- 2. Aside from winter storage, the same beach configuration is used for cargo operations during the spring and summer months which also requires access to Northstar's equipment.
- 3. Cargo operations during the summer would conflict with the tourism and recreational uses of the Pier I beach.

Market for Beach Moorage:

We are a resident local company. In that sense, we are a captive market with a continuing need for beach moorage. Besides our company, several other barge owners have consistently utilized Homer beaches over the years including Hopkins Brothers Construction, Sam Barging and Gates Construction.

Several local commercial landing craft companies are also a very active market for both year round beach moorage and cargo operations. These include Alaska Coastal Freight (L/C Helenka B), Alaska Marine Transport and Salvage (L/C Polar Bear) and Coastal Freight and Salvage (L/C Constructor).

And, as already noted, numerous commercial fishing vessel owners have an ongoing need for beach moorage.

At this time, besides ourselves, Bering Pacific and Quality Asphalt Paving are interested in mooring a 180' by 50' deck barge, the ZB 193, at Homer in order to perform repairs through the winter.

Crowley Maritime currently moors two barges at the HSMT during the winter months, and has done so for several years, although they are utilizing afloat moorage in HSMT's barge basin. Crowley has shown and increased interest in winter storage at Homer of both their tugs and barges. Only their barges are pertinent to beach moorage but I would think a secure beach moorage for barges would also be of use to them for routine repair and maintenance work.

In general, a row of pilings extending down the beach into the tidal area would be the most marketable configuration. It would be secure, simple, convenient to tie up to and allow a greater range of tides to work.

Cost:

Currently we are soliciting information from local contractors in order to estimate the feasibility, availability and cost of installing pilings on the beach.

Coast Range Construction has quoted \$2,000 apiece to provide and drive $12" \times 20"$ heavy gauge, schedule 120, steel piling. This would probably be adequate for the above high tide dead men.

Piling driven in the tidal area would have to be larger to be secure. Larger piling would require a crane and pile driving unit or vibrator. Both are available locally although we have not received responses regarding cost yet. Some local piling is available as well.

We are willing to bear some cost to install an adequate mooring arrangement. Most likely Bering Pacific and Quality Asphalt Paving would as well. The cost of driving piling at the top of the beach is relatively modest. The cost of installing a row of pilings into the tide lands will be more substantial and will require permits. We certainly would consider participating in the cost but probably would not be able to bear the entire burden ourselves.

Thank you for your consideration of this matter. Please let me know if I can provide any additional information.

Regards,

John Crandall

Cook Inlet Marine, LLC

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E: crandall@alaska.net



Office of the City Clerk

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clerk@cityofhomer-ak.gov (p) 907-235-3130 (f) 907-235-3143

Memorandum

TO: VESSEL HAUL-OUT TASK FORCE

FROM: BARBARA HOWARD, CHAIR

DATE: APRIL 17, 2014

SUBJECT: TASK FORCE MEETING SCHEDULE

Please bring your calendars to review the upcoming task force meeting schedule.

Monday, April 21st

Monday, May 5th

Friday, May 16th

Monday, June 2nd

Monday, June 16th

Monday, July 7th

Friday July 25th

Friday August 8th

Monday, August 18th – Report due to Clerk

Wednesday, August 27 – Report to Port & Harbor Commission

Monday, September 15th – Report due to Clerk

Monday, September 22nd – Report to City Council