

PORT AND HARBOR ADVISORY COMMISSION
REGULAR MEETING
JANUARY 28, 2015

Session 15-01, a Regular Meeting of the Port and Harbor Advisory Commission was called to order by Chair Ulmer at 5:00 p.m. on January 28, 2015 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER CARROLL, HARTLEY, HOWARD, STOCKBURGER, ULMER, ZIMMERMAN

ABSENT: DONICH

STAFF: HARBORMASTER HAWKINS
DEPUTY CITY CLERK JACOBSEN

APPROVAL OF THE AGENDA

Chair Ulmer called for a motion to approve the agenda.

HOWARD/ZIMMERMAN MOVED TO APPROVE THE AGENDA AS PREPARED

There was no discussion.

VOTE: NON OBJECTION, UNANIMOUS CONSENT

Motion carried.

PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA

None

RECONSIDERATION

APPROVAL OF MINUTES

A. December 17, 2014 Regular Meeting Minutes

Chair Ulmer called for a motion to approve the minutes.

STOCKBURGER/ZIMMERMAN MOVED TO APPROVE THE MINUTES.

There was no discussion.

VOTE: NON OBJECTION, UNANIMOUS CONSENT

Motion carried.

VISITORS/PRESENTATIONS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS/ BOROUGH REPORTS

A. Port and Harbor Director's Report for January 2015

Harbormaster Hawkins reviewed his staff reports.

There was discussion regarding the accounts that pay for the restrooms on the spit, troubleshooting stray current in the harbor, power usage, light emitting plasma (LEP) bulbs being used on a fish dock light pole, and water lines in the harbor.

PUBLIC HEARING

PENDING BUSINESS

A. Harbor Rate Increase Proposals

HOWARD/HARTLEY MOVED TO DIRECT STAFF TO ENGAGE NORTHERN ECONOMICS TO PREPARE A LINEAR GRADUATED RATE SCHEDULE FOR THE HARBOR.

Commissioner Howard commented that they have received good feedback and we recognize the pure linear rate schedule isn't necessarily represented as being equitable and that the square foot method of calculating rates is not very acceptable to the users. In order to get another run at this we probably need to hire an expert to evaluate our situation and propose a graduated linear rate schedule such as what is used in Kodiak and other harbors in South East. That will give the Commission additional information to help make a rational decision about what we should do regarding rates to generate money over a period of time to make up the 32% shortfall. A graduated linear method might give us some level of comfort we can all live with.

Commissioner Stockburger noted Northern Economics worked with Kodiak in developing their rate schedule and worked with our harbor to establish the amount of our shortfall.

Commissioner Carroll questioned what Commissioner Howard is trying to achieve here. Why not everyone across the board takes a percentage increase and we arrive at the necessary amount?

Commissioner Howard said it's his impression they have concluded that a boat with a wider width gets a bigger benefit out of the harbor than a narrower boat, so not all boats are equal in terms of their need for space. He thinks bringing in the consultant to help evaluate this and help them have a defensible position is best, because he isn't sure what is or isn't fair in establishing the rates.

Commissioner Zimmerman questioned the cost and noted they told people they would have a public get together to discuss the rates, and thinks they need to follow through on that. He thinks they may need to get more public input before moving forward and spending more money.

Harbormaster Hawkins suggested it would be best to establish a scope of work they want to achieve and get a quote.

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Commissioner Howard expressed that they have received some public feedback and can continue to do so, but the group isn't getting closer to an answer to the equitable spread of rates. It was suggested that the little boats should be paying more, which may be the case. That information could be put to the consultant for evaluation. When looking at the infrastructure, the group hasn't taken into account the space it takes to negotiate big boats in and out of their slips. That is a big percentage of the harbor, and so far they have only looked at the parking areas. That type of information can be looked at by a consultant to more effectively evaluate the impacts of our various sized vessels are on the harbor.

Commissioner Zimmerman suggested they could figure that out sitting at the table by evaluating a 5 acre area with the boat sizes, their infrastructure, and turning channels. They know the amount of money they want to achieve each year and he thinks they could figure it out for less money.

There was discussion about the pros and cons of hiring a consult and generally agreed at this point it may be best to prepare a scope of work and get an estimate on cost for the consultant to prepare it.

Harbormaster Hawkins noted that another issue here is the Commission's will to act. If this just kicking the can down the road by hiring someone to do this and then not have the will to act on the information we receive, then we are wasting our time and money.

It was noted that the Commission will have the opportunity to work with the numbers that are presented and have the ability to look at ways besides just the stall users to achieve their end number. There are options that can be considered based on the needs of our fleet. Harbormaster Hawkins provided some examples.

VOTE: YES: HOWARD

NO: ZIMMERMAN, ULMER, CARROLL, HARTLEY, STOCKBURGER

Motion failed.

Harbormaster Hawkins will prepare a scope of work and come back with a quote.

B. Sales Tax & Fish Tax Allocation for Spit

- i. Memo to Port & Harbor Commission from Bryan Hawkins, Port Director/Harbormaster
Re: Fisheries Business Tax dated January 21, 2015
 - a. Port & Harbor 2004-2014 Fish Dock Expenses & Fish Tax Revenue Comparison
 - b. Northern Economics Rate Study 2013
 - c. Draft Resolution 15-XXX Requesting Fish Tax from Kenai Peninsula Borough
 - d. 2011-2014 Sales Tax Figures

The Commission discussed this information at their worksession. Commissioners Howard and Carroll will work to put together names of businesses on the spit to request sales tax information from the Borough, and they will continue discussion next month.

NEW BUSINESS

- A. Re-allocation of Fish Dock Restroom Monies
 - i. Memo to Port & Harbor Commission from Bryan Hawkins, Port Director/Harbormaster
Re: Re-Appropriate Fish Dock Restroom Monies to Crane Refurbishment Project dated
January 21, 2015
 - a. Prior Memos for Back-up Information dated May – June 2006

HOWARD/HARTLEY MOVED TO USE THE MONEY RECEIVED IN THE 2003 GRANT FROM THE ALASKA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT AS FISHERIES REVITALIZATION AID FOR THE PURPOSE OF REFURBISHING ANOTHER FISH DOCK CRANE.

There was discussion if there is a need for an additional restroom on the fish dock. Harbormaster Hawkins noted that Auction Block has facilities for their employees and Snug Harbor will when they complete their building. There are bathrooms now for truck drivers that can be accessed with crane cards or bathroom cards and it works well. In talking with staff there doesn't seem to be an issue with people coming around looking for a restroom. The ice plant restroom could be modified to add another stall or two but he thinks the money is better used to rebuild a crane.

Some members felt there is a need to improve ice plant restrooms. Harbormaster Hawkins said he could talk to some contractors and see what it would take to make modifications to the ice plant restroom. He is reluctant to have it open all the time and prefers the access card.

It was suggested they approve the motion to fix the crane and when we know more about a porta potty or restroom improvements they can take money from the reserves to address it. It won't be a huge expense.

VOTE: YES: ULMER, HOWARD, ZIMMERMAN, CARROLL, HARTLEY, STOCKBURGER

Motion carried.

INFORMATIONAL ITEMS

- A. Monthly Statistical & Performance Report
- B. Weekly Crane and Ice Report
- C. Deep Water Dock Report
- D. Pioneer Dock Report & Ferry Landings Report
- E. Water Usage Report
- F. 2014 EOY Fuel Wharfage Comparison
- G. 2014 EOY Parking Pass Comparison
- H. 2014 EOY Load & Launch Pass Comparison
- I. Spit Lease Expiration Calendar
- J. 2015 Council Meeting Attendance

Harbormaster Hawkins addressed the year-end report, noting moorage sales had increases in daily transient, monthly, and annual reserves increase. To his knowledge they have never broke 800 annual

reserves in a year, that indicates to him that usage is up, retention is up, and we have a lot of new lessees as well. He talked about increase in rates at the Deep Water and Pioneer Docks for dockage fees and with the increase in customers and use, he never had a complaint about the rates.

COMMENTS OF THE AUDIENCE

None

COMMENTS OF THE CITY STAFF

None

COMMENTS OF THE COUNCILMEMBER *(If one is assigned)*

None

COMMENTS OF THE COMMISSION

Commissioner Carroll commented it was a good meeting. There was a lot of good input at the worksession from the Borough folks and from Brad Faulkner.

Commissioner Zimmerman agreed it was a good worksession and he learned a lot. He asked that they have paid parking on the spit on their next agenda.

Commissioner Howard echoed the other comments.

Commissioner Hartley said he can't wait to talk about the parking.

Commissioner Stockburger said it was a good worksession. He was in Vancouver this summer and they had a movable bathroom/porta potty. He heard a comment that it was \$60,000 and that it was outrageous. It made him think of our \$180,000 ones. He said it might be something worth looking in to.

Chair Ulmer thanked everyone.

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 6:33 p.m. The next regular meeting is scheduled for Wednesday, February 25, 2015 at 5:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____