

VESSEL HAUL OUT TASK FORCE
REGULAR MEETING
AUGUST 4, 2015

Session 15-01 a Regular Meeting of the Vessel Haul-Out Task Force was called to order by Chair Howard at 4:00 p.m. on August 4, 2014 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: Carroll, Hawkins, Howard, Lewis, Pate

ABSENT: Hawkins, Pitzman

STAFF: Deputy City Clerk Jacobsen
Administrative Secretary Tussey

AGENDA APPROVAL

Chair Howard called for approval of the agenda.

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. September 9, 2014 Meeting Synopsis

Chair Howard called for approval of the synopsis.

CARROLL/LEWIS MOVED TO APPROVE THE SYNOPSIS

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. Homer Marine Repair Facility
 - i. Memo to Vessel Haul-Out Task Force from Port Director/Harbormaster Re: City of Homer's Marine Repair Facility Review of BMP's
 - a. Homer Marine Repair Facility BMP's and Appendices
 - b. Storm Water Pollution Prevention Plan (SWPPP)

Chair Howard asked the group to share their initial comments after reviewing the packet and acknowledged Administrative Secretary Tussey who was available to answer questions.

Mr. Pate said he would like to know now much revenue the haul out is making and what is projected for the future to get an idea of the economics as it sits today. He commented that the memorandum alludes to either hiring a staff person to manage the facility or bring in a third party.

Ms. Tussey said she didn't have the current revenue information but it could be available for the next meeting and that Mr. Pate is correct in that a staff person will be needed for the facility. She did not know if it would earn enough to support the staff member.

Mr. Carroll commented about his experience with being hauled out at the Wrangell facility and the cost to be pulled out and put back in was only \$1000. That will be hard to compete with and the problem is that the City isn't investing in the facility. He commented about standardized fees and that we need someone to promote our facility and let the bigger companies know we are open for business.

Mr. Stockburger agrees that we need to promote it. He recognized we may not make a lot or lose money at first as there are other bigger facilities out there. Homer has its benefits though and we need ensure that it earns enough to pay for the person running it.

Mr. Lewis questioned if there is enough protection in place for the critical habitat area. He agreed that setting up a rate structure is a big endeavor and wonders if someone with more experience should be involved.

Mr. Stockburger noted that the Port & Harbor Advisory Commission has requested Northern Enterprises to prepare a rate structure for moorage and perhaps this could be included in their scope of work.

Chair Howard commented that if the SWPPP permit is approved, that would be the highest authority they would need to comply with.

Mr. Pate added he has seen the Wrangell facility and it's terrific, but they received money to build the facility, as did Ketchikan and possibly Kodiak. He suggested they need to determine if they want to stay small and modest or swim in the deep end. He thinks given the economic climate we can't be

VESSEL HAUL OUT TASK FORCE
REGULAR MEETING
AUGUST 4, 2015

another Wrangell. Mr. Pate also suggested meeting one on one with the players and let them set a baseline on what they will offer.

Ms. Tussey commented that the Harbormaster and staff agree with starting small and focusing on vessels that are here but unable to haul out locally, and then grow it as funds are available. She explained that they have support for working in the critical habitat with permitting the barge mooring area. Ms. Tussey added that the survey that was sent out last year generated a lot of responses from the users who supported the harbor managing the facility and from that they have big boats asking to haul out, so it is starting to market itself. They are already scheduling for the fall.

During discussion it was clarified that the BMP document addresses what needs to be done in the event of a spill and it is also mentioned in the agreements. The SWPPP addresses what will be done for management of the facility and make reference to the BMP's. A security deposit will be required prior to hauling out. There is a worksheet to calculate the work being done and estimated cost and the security deposit is 50% of the estimated cost. It's out lined in the BMP's under legal notices that the Harbormaster reserves the right to require a 100% deposit or decline use of the facility if deemed necessary, and the conditions that could warrant a higher deposit or denial of use are also included.

There was general discussion of fees and the task force requested some comparisons. It was suggested to look at facilities similar to what Homer has or similar to what the goal is for Homer's facility. Suggested comparisons included Seward, Kodiak, Sand Point, and Valdez. They touched on annual vendor fees and circumstances when a one-time fee might be appropriate, also charging a flat fee per haul out.

The task list for the next meeting includes:

- Revenue generated to date and any projections based on fall scheduling (Harbor staff)
- Comparison of similar facility fees and are their fees covering operating costs or is the facility subsidized (Harbor staff)
- List of new fees (Harbor staff)
- Insurance suggestions (Mr. Pate)

B. Vessel Haul-Out Task Force Meeting Schedule

The group reviewed the schedule and no changes were made.

INFORMATIONAL ITEMS

COMMENTS OF THE AUDIENCE

COMMENTS OF CITY STAFF

COMMENTS OF THE TASK FORCE

Mr. Pate thanked Ms. Tussey and the harbor staff for the great work on the BMP document.

VESSEL HAUL OUT TASK FORCE
REGULAR MEETING
AUGUST 4, 2015

Mr. Carroll reiterated the need for a staff person to do the PR work as they are most familiar with the facility.

Mr. Stockburger agrees with the need to do PR for the facility.

Chair Howard thanked everyone for their work.

ADJOURN

There being no further business to come before the Task Force the meeting adjourned at 5:37 p.m. The next regular meeting is scheduled August 18, 2015, at 4:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____

Session 15-02 a Regular Meeting of the Vessel Haul-Out Task Force was called to order by Chair Howard at 4:00 p.m. on August 18, 2015 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: Carroll, Hawkins, Howard, Lewis

ABSENT: Pitzman, Pate, Stockburger

STAFF: Deputy City Clerk Jacobsen

AGENDA APPROVAL

Chair Howard called for a motion to approve the agenda.

LEWIS/CARROLL 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. August 4, 2015 Meeting Synopsis

Chair Howard called for a motion to approve the synopsis.

LEWIS /CARROLL MOVED TO APPROVE THE SYNOPSIS

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

STAFF AND COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

PUBLIC HEARING

PENDING BUSINESS

VESSEL HAUL OUT TASK FORCE
REGULAR MEETING
AUGUST 15, 2015

A. Homer Marine Repair Facility

- i. Homer Marine Repair Facility BMP's and Appendices & Storm Water Pollution Prevention Plan (SWPPP)
- ii. Haul-Out Yard Comparison
- iii. Revenue Statistics
- iv. Fee Schedule
- v. Insurance

Harbormaster Hawkins talked about the cost comparison between Kodiak, Port Townsend, Seward, Valdez, and Wrangell included in the packet. He explained that it isn't black and white when it comes to the numbers as each location is different. In Homer the enterprise doesn't incur cost, the haul out service is provided by a contractor. The haul out is pretty work intensive so it is costly to haul out here and that is something to consider. It's important to keep in mind vessel owners have a laundry list of things and will analyze where they can get their work done for the least amount of money.

They addressed differences between facility's costs and available services. Harbormaster Hawkins used the recent haul out of the Polar Bear, using 6000 square feet as the area used by the vessel. In Homer the use of the uplands was \$1020 per month. In Seward it is 10 cents per linear foot per day, or \$450 per month in the uplands. Kodiak charges \$435 per day for the first 14 days so \$6090, then \$6360 for the last half of the month for a total of \$12,450 for the month in the uplands. Wrangell is at 30 cents per square foot which is \$1800 for the month. Homer's landing fee is \$1.50 per linear foot per calendar day, so for the Polar Bear it works out to \$225 per day for up to seven days. In instances where they have allowed vessels to be there longer than seven days, they roll it into the cost of a month's moorage for the vessel. Harbormaster Hawkins explained different circumstance where a vessel might need to be stored on the uplands for more than 7 days.

Harbormaster Hawkins proposed leaving the beach landings at \$1.50 per linear foot per calendar day. The fee is charged when they are coming in, then again when they are going out and most vessels are able to be in and out in a tide cycle. The fee is charged daily if the vessel is there more than one day. It's a fee that has always been in the tariff and is important in that it deters vessels from being abandoned along the beach.

Harbormaster Hawkins commented that the uplands fee of 17 cents per square foot is fairly affordable, keeping in mind there aren't a lot of amenities. He noted that a graduated rate encourages a vessel owner to do the work and get a back out of the yard. There was discussion of the limited space that's available and the importance of moving vessels on and off as quickly as possible. Mr. Lewis suggested an increase in the rate after seven days, then 21 days, and so forth. Harbormaster Hawkins explained that vessel owners will be required to submit a work plan that will be reviewed with staff and be allowed, or not. He suggested an additional fee could be imposed if they don't meet the deadlines in the work plan. Mr. Carroll raised the point that it's not unusual to start work on a vessel only to find more is needed once you get in there, they need to be careful not to discourage the bigger jobs. Chair Howard commented it will be important for vessel owners to communicate with staff when change orders are needed because waiting until the last minute doesn't offer a fair opportunity for scheduling the beach. We encourage big jobs and a benevolent attitude to work with vessel owners who use the space. Harbormaster Hawkins agreed the goal is not to be punitive, but it's

VESSEL HAUL OUT TASK FORCE
REGULAR MEETING
AUGUST 15, 2015

necessary for maintaining scheduling. It isn't meant to be revenue generating, but about keeping things moving.

Mr. Lewis commented that fees collected should pay for the staff that manages it. Chair Howard commented there should be an administrative fee included, as they do for other things, and suggested \$50 an hour. There will be staff time incurred for scheduling and meeting with vessel owners to review plans.

Relating to staffing, Harbormaster Hawkins explained his goal is to hire another position who can work as a harbor officer in the summer and a boatyard/maintenance person in the winter. The haul out wouldn't have to fund the whole position.

Regarding the chip pad, Harbormaster Hawkins explained the asphalt road may not be strong enough for that size of a load and the drainage system on the pad has to be improved.

The group considered the vendor fee. The comparison chart shows Kodiak has a one-time vendor fee of \$250 or an annual fee of \$500. Harbormaster Hawkins noted that this would be an area that could justify the administration fee as there is tracking, collecting paperwork, insurance, and creating a file for each vendor. The approved vendor list will be available on line and with the marine trades. They discussed annual and one time fees and agreed that a one-time fee of \$150 per calendar year would be sufficient for all vendors and also agreed on a \$50 administrative fee to the vessel owner.

They also addressed insurance and agreed that they would work with the attorney and the City's insurance provider whether it needs to be more than \$1 million.

Chair Howard addressed justification for an additional employee to staff this. She thinks it's important to have someone assigned to this so it's supervised well with zero tolerance for any non-compliance. Harbormaster Hawkins believes the revenue from the facility could pay for the staff person. Last year he learned he can't manage it on his own and do his job as well, and it's the same for the Deputy Harbormaster. He reiterated the position of another harbor officer who can work in the areas as needed. He has been asking for another harbor officer each year at budget time with no success, so this is more justification to approve the position. It will be really important to have a "go to" person for the haul out facility.

Harbormaster Hawkins revisited the uplands fee and asked if they want to recommend a break in the fee for vessels owners who pay annual moorage. After brief discussion the group agreed to recommend 17 cents for vessel owners who pay annual moorage and 20 cents for transient.

Harbormaster Hawkins reviewed the group's recommendation for fees:

- Upland Vessel Storage Fee - \$0.17/sf for stall owners and \$0.20 /sf for transient per calendar day
- Beach Landing Fee - \$1.50/ft per calendar day
- Vendor Fee - \$150 per calendar year
- Harbor Labor Fee - \$102/hour; \$51/ minute
- Other – Administrative Fee - \$50

He will follow up on insurance requirements or cost to the city to provide the area, prepare a revenue estimate, and build it into his 2016 budget to justify the position.

B. Vessel Haul-Out Task Force Meeting Schedule

The task force was satisfied they had accomplished the work requested of them and canceled the remaining meeting. They will present to the Port and Harbor Advisory Commission on September 23rd and will meet with City Council in September or October.

NEW BUSINESS

INFORMATIONAL ITEMS

COMMENTS OF THE AUDIENCE

COMMENTS OF CITY STAFF

COMMENTS OF THE TASK FORCE

Harbormaster Hawkins appreciates the groups help with this. It's been a long process but it's how we create policy. It is more important to get the function of the tariff set so we have the items we can build to and a way to administer a fee to the new use. He thinks it's going to be very successful, it already has been, and now are figuring out how to manage it. He has been handing this around to vessel owners as a draft to look at and hasn't received a lot of feedback. He doesn't think anything in the policy is surprising to anyone who has been to other yards. There might be some pushback about it being too onerous, and his response might be maybe they don't want to haul out here. We are accepting a lot of risk here. He appreciates the support of bringing in another employee to help manage this.

Mr. Carroll said it seems like baby steps, but it's going forward, little by little.

Mr. Lewis thanked Barbara for being Chairperson. He asked Bryan to thank the harbor staff because he's sure they have put in a lot of hours with this.

Chair Howard thanked everyone for coming to the meeting ready to do work and be fully engaged. It's apparent there is high interest and so we end up with a good product. She is impressed with the document written and passes along to the staff that it's clear and easy to read. She thinks all of this leads to them being successful.

ADJOURN

There being no further business to come before the Task Force the meeting adjourned at 5:37 p.m. The next regular meeting is scheduled August 18, 2015, at 4:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____