

Session 22-01, a Regular Meeting of the Port and Harbor Advisory Commission was called to order by Chair Steve Zimmerman at 5:04 p.m. on January 26, 2022 in the City Hall Cowles Council Chambers located at 491 E Pioneer Avenue, Homer, Alaska and via Zoom Webinar.

PRESENT: COMMISSIONERS ZIMMERMAN, ZEISET, MATTHEWS, SIEKANIEC, PITZMAN, ULMER (arrived at 5:06 p.m.), AND STUDENT REPRESENTATIVE STONOROV

CONSULTING

MEMBER: MAYOR CASTNER

ABSENT: COMMISSIONER ERICKSON (excused)

STAFF: PORT DIRECTOR/HARBORMASTER HAWKINS
DEPUTY CITY CLERK TUSSEY

AGENDA APPROVAL

SIEKANIEC/PITZMAN MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Mayor Castner reported on recent visits by U.S. Senator Lisa Murkowski and U.S. Coast Guard Rear Admiral Nathan Moore. He commended Chair Zimmerman for his tenure on the PHC, the commission for their vital work, and presented Chair Zimmerman with his certificate of recognition.

RECONSIDERATION

APPROVAL OF MINUTES

A. December 8, 2021 Regular Meeting Minutes

ULMER/SIEKANIEC MOVED TO APPROVE THE DECEMBER 8TH REGULAR MEETING MINUTES.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

VISITORS/PRESENTATIONS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS

A. Port & Harbor Staff Report for January 2022

Port Director Hawkins facilitated questions from the commission, speaking to boat rescues from freezing rain and ice congestion, port maintenance efforts, and other operational events.

In response to a question from Commissioner Siekaniec regarding the Cook Inlet fish boundary meeting, Mr. Hawkins noted the City Attorney is working on how the City can support the Cook Inlet drift fishermen. Mayor Castner reported the City of Homer is filing an amicus brief in federal court supporting the seafood processing group. The City Attorney is preparing the brief now, it's expected to be filed early February, and he shared what some of the next steps would be after that.

B. Homer Marine Trades Association Report

Commissioner Zeiset reported HMTA is conducting marine trade classes again at the Homer High School. Mr. Zeiset taught one class and others will be taught by a local electrician and Bayweld. The HMTA is working with Bayweld and the college to provide a certified welding program for Homer. Anchorage Boat Show will be taking place in February 18-20th; HMTA will be hosting a booth. The show is a good opportunity to promote Homer and the marine trades.

PUBLIC HEARING

PENDING BUSINESS

NEW BUSINESS

- A. Review of PHC Goals & Tasks
i. PHC 2021-2022 Strategic Plan

Chair Zimmerman introduced the agenda item by reading the title and deferred to Port Director Hawkins to begin discussion.

Mr. Hawkins reviewed the current list of PHC goals, providing comments and updates to each item. Deputy City Clerk Tussey spoke to the purpose of the strategic plan as a prioritized list of goals to aid the commission in staying on-task for the year, and staff's recommendation to do a check-in to see if there are any outstanding tasks for them to be working on over the upcoming months so that staff knows what to prepare for and bring to the commission at their next meeting.

Commissioner Zeiset inquired on the status of the 5-year float replacement plan for the Small Boat Harbor and if that plan was for a specific area or the floats in general. Mr. Hawkins explained how there is a Capital Improvement Plan request already for completing System 4 and the AAA float it connects to, but that we need to take a critical look at the rest of the systems to determine replacement timelines for the other floats.

Commissioner Siekaniec opined that the PHC has done a generally good job meeting their goals. He would like to see more being done with establishing a goal for reserves, and continue to understand the budget and having Finance staff participate in future meetings. Discussion ensued between Mr. Hawkins and the commission regarding having a realistic reserve plan, not necessarily setting an amount, and having the Finance Director attend possibly the March meeting to speak on the topic.

Mayor Castner commented on the City's current working capital, how much of that is considered emergency funds, and how much is available dependent on fluctuating tax revenue. He explained how that example can be applied to Harbor Enterprise accounts to aid with harbor float replacement funding. Mr. Castner spoke to the commission's comments regarding finding additional sources of revenue. He thinks sales tax funding is a non-starter, but during his term he is working to get rid of the

administrative fees charged to the Harbor Enterprise and his reasoning why. He suggested the enterprise should be getting their own financial planning and advice.

Chair Zimmerman commented on how the PHC had discussed building a \$10 million reserve funds during rate structure changes, and inquired if that was still being built up. Mr. Hawkins noted that the reserves are growing and while we're paying for project from that fund, the Harbor Enterprise is exceeding its revenue budget goals each year and is slowly growing those funds.

Commissioner Matthews requested an update on researching the costs of float repairs so they can better allocate and start setting aside money for that project. Mr. Hawkins responded he had not reached out to anyone yet on that.

Commissioner Matthews commented on the Spit Parking study and how she recalled the commission was waiting on some comments to come back on their review of the draft study. She opined that those two things (the parking study and the float repair costs) are pertinent to their budget review, and was under the impression that the additional questions they had for the consultant would be addressed before it went to Council. She does not know if those questions were answered. Mr. Hawkins explained how staff has not yet gotten the parking study to Council and nothing has been done. Commissioner Matthews requested the topic be on next month's agenda.

In response to Mr. Hawkins' request for what those questions were, Commissioner Matthews commented she could forward her note to him within the week. One question was how HDL Consultants was coming up with their densities since they are a key part in projecting for potential income, and to push back for more thorough explanations knowing if PHC had questions then Council would have questions. She reiterated her request to have it on next month's agenda since those topics are really pertinent to revenue.

Mr. Hawkins suggested the PHC have a budget-type meeting, set some goals, review where we're at, and have the Finance Director attend to be a part of the discussion. Deputy City Clerk Tussey noted the Spit Parking Plan discussion that Commissioner Matthews was referencing was at the PHC's September 22, 2021 regular meeting for reference.

INFORMATIONAL MATERIALS

- A. Port & Harbor Monthly Stats for November, December & EOY 2021
- B. Water/Sewer Bills Report for November & December 2021
- C. EOY 2021 Load & Launch Stats
- D. EOY 2021 Parking Stats
- E. EOY 2021 Ice & Crane Report
- F. Dock Activity Report
- G. PHC 2022 Meeting Calendar

Port Director Hawkins reported on his meeting with U.S. Coast Guard Rear Admiral Nathan Moore and U.S. Senator Lisa Murkowski to discuss the Port Expansion project, the Spit erosion study project and dredged materials use during the expansion project, and beach re-nourishment. Mayor Castner commented on additional details from the meeting.

Deputy City Clerk Tussey pointed out Commissioner Matthews has the City Council report at the February 28th meeting. She noted the commission agreed to finish assigning reports at the next meeting

once new appointment terms started. Commissioner Siekaniec agreed to give the January report at the next Council meeting on February 14th.

COMMENTS OF THE AUDIENCE

Mayor Castner commented on the harbor expansion project and his opinion that it's incumbent on the commission to control this study and how the chapters are laid out. They need to figure out exactly what they can do to ensure the study goes faster and be proactive.

COMMENTS OF THE CITY STAFF

Deputy City Clerk Tussey thanked Chair Zimmerman for his twelve and a half years of service, and that he's been a wonderful chair. She reported that at Council's January 24th meeting Commissioner Zeiset was reappointed for another 3-year term and Bob Shavelson was newly appointed to fill the vacant seat from Commissioner Zimmerman. She reminded the commission there will be a commissioner training worksession at 4:00 p.m. before the 5:00 p.m. regular meeting on February 23rd, and they will be holding their election of officers.

Port Director Hawkins had no further comments.

COMMENTS OF THE COMMISSION

Commissioner Ulmer thanked Mayor Castner, the commission, and Student Representative Stonorov for being there.

Commissioner Pitzman voiced his appreciation for Chair Zimmerman's service and the conversation regarding the Senator and Rear Admiral's visit. In response to Mayor Castner's comments on guiding the harbor expansion study's chapters, he is particularly interested in the chapter regarding how the large vessel haul-out will integrate with the expansion plan, which won't happen without a lot of planning and forethought. He thanked everyone for coming and to have a nice night.

Commissioner Siekaniec thanked Mayor Castner for coming to the meeting and Chair Zimmerman, noting that it's been great, and to everyone else to have a nice night.

Commissioner Zeiset commented it was nice to have Mayor Castner there and to get some good insight in things and noted it was a good meeting.

Commissioner Matthews commented on how excited to hear Mayor Castner's last comments because she thinks it's going to be important and is willing to help collect some other harbor expansion reports that have been done in the past, unless the person at the firm that we're working with has some they'd like to provide just so we can start forward-thinking about those chapters. This will help the commission understand the budgetary needs and how we're going to support it going forward. She suggested the topic be added to the next agenda to start looking at some of those samples or ones that have already been done.

Student Representative Stonorov commented it was interesting to hear about the meeting with the senator and thanked the commission for having her.

Chair Zimmerman thanked Mayor Castner for joining them. He commented that this was his last meeting and appreciated all the work the commission has done and hopes it continues doing a good job. He thanked everyone.

ADJOURNMENT

There being no further business to come before the Commission, Chair Zimmerman adjourned the meeting at 6:10 p.m. The next regular meeting is scheduled for Wednesday, February 23, 2022 at 5:00 p.m. and a Worksession at 4:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar.



RACHEL TUSSEY, CMC, DEPUTY CITY CLERK II

Approved: February 23, 2022