

CBJ DOCKS & HARBORS
FINANCE COMMITTEE MEETING MINUTES
For Tuesday, May 24, 2011

I. Call to Order.

Eric Kueffner called the Finance Committee Meeting to order at 5:00 p.m. in room 224 of the Assembly Building.

II. Roll Call.

The following members were present: Greg Busch, Tom Donek, Kevin Jardell, Cheryl Jebe, Jim Preston and Eric Kueffner.

The following members were absent: Don Etheridge and Wayne Wilson.

Also in attendance were the following: John Stone-Port Director, Phil Benner-Harbormaster and Ruth Danner-Assembly Liaison.

III. Approval of Agenda.

MOTION by Mr. Preston: TO ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS PRESENTED.

The motion passed without objection.

IV. Public Participation on Non-Agenda Items.

There was none.

V. Approval of previous meeting minutes.

Hearing no objection, the minutes of the March 29, 2011 Finance Committee Meeting were approved as presented.

VI. Items for Action.

There were none.

VII. Items for Information/Discussion.

1. Statter Harbor Float Addition Moorage Management.

Mr. Stone said the meeting would be his last Finance Committee Meeting before he retires and it has been one of his favorite committees over the years.

Mr. Stone provided a memo dated 5/19/2011 that highlighted factors the Committee should consider when accommodating the Deharts Marina Patrons at the new moorage facility.

He said we may need to draft a regulation or policy and put it out for public comment. There will be 70 new slips in Auke Bay and we need to decide who gets priority at the new moorage. According to reports provided by the Auke Bay staff, there are 68 Deharts Patrons with preferential moorage. We need to decide if we will give priority to all Deharts Patrons or just the patrons that had assigned moorage when we purchased Deharts. We will also need to decide how we will assign the moorage and who will get first pick of the slips. The Committee may want to consider a lottery by slip size where patrons can choose their slip as their number comes up. That may be the most equitable way to go about assigning the slips. We do know who had moorage when we purchased the facility, but there is no record of how long those patrons had the moorage prior to the purchase. Because the facility had issues in the winter, we have allowed seasonal slip assignments. The new slips will not have issues in the winter so we will need a way to phase out the seasonal slip assignments. We will have two slip sizes, 32ft and 42ft so we will need to accommodate vessels that are currently undersized for the new slips. There are two tables in the packet; one shows slip holders on the day of the purchase and the other shows current slip holders and what they are currently paying for moorage compared to what they will pay if assigned a larger slip. It will be important to let patrons know that we will be using their slips for hot berthing when they are gone more than 3 days and that they will be subject to the same rules as everybody else. Deharts Patrons have been allowed to sell their slip assignment to a new owner along with the boat. The Board will need to decide if it wants to continue this accommodation.

Mr. Donek said this would be a good time to bring the new moorage system in Auke Bay inline with the other harbors.

Mr. Kueffner asked to see the actual purchase agreement so that we can be sure we are following what we originally agreed to. The lottery seems like the only way to make slip assignment fair. He asked what was so hard about applying the existing regulations to allow shorter vessels. The current regulation allows approval by the Harbormaster on a case by case basis so that seems to be what we should do.

Mr. Stone said he thought the more significant issue right now would be how to bill the undersized vessels. Right now if you put a 32ft vessel in a 42ft slip, they will pay for 42ft.

VII. Items for Information/Discussion. (Continued)

Committee members agreed that undersized vessels should pay for the overall length of the slip.

Ms. Jebe asked if the seasonal slip holders were only paying for half of the moorage year.

Mr. Preston said the seasonal slip holders do pay for only half the year and he felt that the discussion about seasonal slip assignment needed to be a completely separate discussion from the cost of the slips for undersized vessels. He also said he felt the board had an obligation to the patrons that are being moved to make some kind of accommodation for changes in moorage cost. He suggested maybe offering a two or three year grace period where we adjust the rate over time.

Mr. Jardell said our decision to build 32ft and 42ft slips for the long term demand may mean we need to make some current accommodations, but over time the new moorage in Auke Bay should come inline with the rest of the harbors.

Ms. Danner asked for clarification of the moorage management regulations for a 32ft slip.

Mr. Stone said we will allow a vessel to be 3ft under or 10ft over the slip size.

Mr. Kueffner said we currently charge by the vessel length or slip length; which ever is larger.

Ms. Danner asked why it would matter if you had a 20ft boat in a 32ft slip if they are paying for 32ft anyway.

Mr. Benner said assuming there is demand for the 32ft slip, we could put a 38ft vessel in the 32ft slip and move the 20ft vessel to the appropriate size slip elsewhere in the harbor. That is better harbor management. He also pointed out that there are fishermen that have fished out of Auke Bay for generations that have waited for a permanent slip assignment and have never been able get one so it is important to define what a long time Auke Bay user is.

Mr. Stone said after assigning all the new moorage from Deharts, we will have two 42ft slips available.

Mr. Busch expressed his concern for Deharts patrons who were assigned moorage after the purchase. If they are not reassigned, how would we incorporate them into a waiting list.

Mr. Stone said his recommendation would be to reassign all current Deharts patrons to the new moorage. We will need to publicize the waiting list for the new moorage once we re-assigned it to the Deharts Patrons.

Committee Members expressed concern about the current people signed up on the Deharts waiting list and how they would factor into the assignment.

VII. Items for Information/Discussion. (Continued)

Mr. Preston said the Statter Moorage is a replacement facility and not a new facility so it seems reasonable that the committee would reassign all of the current Deharts Patrons first.

Mr. Danner asked if it was too late to consider adding more moorage space to the plan.

Mr. Stone said the current configuration is considered a life time replacement for Deharts Marina and trying to add to it at this point would only slow the process down.

Mr. Donek suggested the undersized vessels could be accommodated in the side tie area by the new float additions.

There was a concern about assigning previously transient moorage area in Auke Bay.

Mr. Donek said he liked Mr. Watson's suggestion to give the seasonal slip owners a one season grace period before they have to pay for the whole year.

Mr. Busch asked how the Harbor Department would make utilities available when hot berthing vessels in the new moorage area.

Mr. Stone said if the assigned vessel is gone for a lengthy period of time, the harbor department can switch the power box over and have AEL&P charge the Harbor Department. If the vessel is gone for a short time, the slip owner may lock up their power box while they are gone from the slip.

Mr. Benner said they should consider putting in power boxes with both private and transient power outlets available.

Mr. Stone said the power boxes with both private and transient power outlets are significantly more expensive and we did not plan on putting them in the new moorage area.

Mr. Donek suggested that Both Deharts lists including slip holders when Deharts was purchased and slip holders after Deharts was purchased be accommodated in the same way by having a lottery for the slips. He suggested that the original Deharts Patrons should get the first choice in the lottery.

Mr. Stone said with the direction from the committee, he could draft a regulation for proposal at the next meeting.

2. Harbor Delinquent Accounts.

Mr. Stone said he just wanted to provide the a list of delinquent accounts to show that staff is working to collect money from delinquent patrons.

VIII. Staff & Member Reports.

There were none.

IX. Committee Administrative Matters.

1. Next Finance Committee Meeting – June 28, 2011 in CBJ room: 224.

X. Adjournment.

**MOTION by Mr. Preston: TO ADJOURN THE FINANCE COMMITTEE MEETING
AND ASK UNANIMOUS CONSENT.**

The meeting adjourned at 6:12 p.m.