CBJ DOCKS & HARBORS

FINANCE COMMITTEE MEETING MINUTES

For Tuesday, February 22, 2011

I. Call to Order.

Eric Kueffner called the Finance Committee Meeting to order at 5:02 p.m. in room 224 of the Assembly Building.

II. Roll Call.

The following members were present: Don Etheridge, Tom Donek, Kevin Jardell, Greg Busch and Eric Kueffner.

The following members were absent: Cheryl Jebe and Jim Preston.

Also in attendance were the following: John Stone-Port Director.

III. Approval of Agenda.

MOTION by Mr. Jardell: 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 January 25, 2011 Finance Committee Meeting were approved as presented.

VI. Items for action.

1. Moorage Fee CPI Adjustment.

Mr. Stone said our Harbor regulations stipulate that each year the moorage fees increase by the previous years Anchorage consumer price index as reported by the Alaska Department of Labor. They have recently reported an increase of 1.8% for the Anchorage CPI. Accordingly, Skiff, daily, and monthly moorage fees will increase by 1.8% for the FY12 moorage year unless the Board takes action to keep the fee the same as the previous year. Mr. Stone provided a hand out of what the new moorage rates would look like for the coming moorage year. This automatic annual increase was originally part of a revenue bond analysis to show lenders that we would continue to have positive income to compensate for inflation.

VI. Items for action (Continued).

Mr. Busch asked if the Board had ever not approved the CPI increase.

Mr. Stone said the automatic increase started in 2007 and has always been approved by the Board.

Mr. Kueffner said the CPI has been low and the small increases are easier for patrons to accept so we should defiantly approve the small increases.

Public Comment

Dennis Watson said according to the recent Operations Committee Meeting, there is a possibility the electric service and water to Deharts floats may need to be shut off. He wanted to know if an adjustment to Deharts Moorage would be made to compensate for the loss of utilities. He also had some concerns about the parking lot management at Statter Harbor. He was concerned about some employee parking right next to the Harbor office and monthly parking patrons taking up prime parking spots for vehicles that are not moving. He did not feel that patrons that are paying half price for parking should be using the prime spots.

Paul Swanson said he was concerned about a moorage increase when Deharts patrons are already paying a premium for moorage that may be going away.

MOTION by Mr. Jardell: TO RECOMMEND THE BOARD ALLOW AN INCREASE IN FY12 MOORAGE FEES BY THE ANCHORAGE CPI OF 1.8% AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

2. Moorage Promotions.

Mr. Stone said we would like to offer the same moorage promotions as last year for the down town harbors only. We are hoping to promote usage of the smaller slips and the promotion will be limited to vessel with an overall length of 27'.

Mr. Jardell asked if Statter Harbor continued to be full during the summer months.

Mr. Stone said there are times that Statter Harbor is very full although he did feel there was usually room for smaller boats. Last year he had proposed that the moorage promotion be available at Statter Harbor as well, but the Board did not approve it.

VI. Items for action (Continued).

Mr. Busch asked if there was still an excess of smaller slips in the down town harbors after we removed the fingers from the south sides of Aurora K and L floats.

Mr. Stone said we still have plenty of smaller slips open in the down town harbors. We could even remove the slips from another float and still have plenty available.

Mr. Donek asked if there was a plan to remove more of the small finger floats.

Mr. Stone said after the breakwater is moved to the Douglas Harbor, they would like to remove another whole side of smaller slips. The floats where the fingers have already been removed are already being used for side moorage and the only downside is that we only have 20 amp power available in those locations.

MOTION by Mr. Jardell: TO AUTHORIZE MOORAGE PROMOTIONS FOR THE 2011 SEASON AS PRESENTED BY THE PORT DIRECTOR AND FORWARD TO THE FULL BOARD FOR APROVAL AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

VII. Items for Information/Discussion.

There were none.

VIII. Staff & Member Reports.

Mr. Jardell asked if they would be looking at financial reports in the near future.

Mr. Stone said he was working with the accountant to provide some reports to the Finance Committee. It looks like we may need to do a budget adjustment in front of the Assembly for personnel services in harbors. We kept some seasonal staff on for an extra month at the end of the 2010 Season to complete some projects and that has increased the expense for harbors personnel services.

Mr. Busch asked what the appropriate time to discuss a possible change in rates at Deharts if the utilities must be shut off.

Mr. Kueffner said we certainly could come up with an emergency plan.

Mr. Jardell said for the electrical service, most patrons would just stop being billed by AEL&P.

VIII. Staff & Member Reports (continued).

Mr. Donek said the first issue to deal with if utilities to Deharts are shut down would be if patrons want to move or remain in that harbor.

Mr. Stone said we do need to give AEL&P time to give their customers 30 days notice if electrical service is to be discontinued.

Mr. Kueffner said he did not see how the Board could deal with the issues at Deharts in advance.

IX. Committee Administrative Matters.

1. Next Finance Committee Meeting – March 29, 2011 in CBJ room: 224.

X. Adjournment.

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

The meeting adjourned at 5:29 p.m.