

CBJ DOCKS & HARBORS BOARD
FINANCE MEETING AGENDA
For Tuesday, March 23, 2010

- I. Call to Order (5:00 p.m. to 7:00 p.m.) in the **Room 224, City Hall.**
- II. Roll Call (Preston, Jardell, Jebe, Kueffner, Mehrkens, and Etheridge).
- III. Approval of Agenda.

MOTION: TO APPROVE THE AGENDA AS PRESENTED OR AMENDED.

- IV. Public Participation on Non-Agenda Items (not to exceed five minutes per person, or twenty minutes total).
- V. Approval of Previous Meeting Minutes.
Presented by the Committee Secretary

Public Comment

MOTION: TO APPROVE THE FEBRUARY 23, 2010 FINANCE COMMITTEE MEETING MINUTES AS PRESENTED OR AMENDED.

Committee Discussion/Action

- VI. Items for Action.
 - 1. Franklin Dock Tidelands Lease Rent Adjustment
Presentation by the Administrative Officer

Public Comment

MOTION: TO DIRECT STAFF TO LEAVE THE FRANKLIN DOCK TIDELANDS LEASE RENT AT THE CURRENT LEVEL.

Committee Discussion/Action

- 2. Minor FY 11/12 Budget Adjustments
Presentation by the Administrative Officer

Public Comment

MOTION: TO RECOMMEND THE BOARD ADOPT THE AMENDED FY 11/12 BUDGET AS PRESENTED.

Committee Discussion/Action

VII. Items for Information/Discussion.

1. Recommendations for Changes to Chapter 10, Waterfront Sales Permits Regulation
Presentation by the Administrative Officer

VIII. Staff & Member Reports.

IX. Committee Administrative Matters.

1. Next Finance Committee Meeting – April 27, 2010

X. Adjournment.

MOTION: TO ADJOURN THE FINANCE COMMITTEE MEETING.

CBJ DOCKS & HARBORS
FINANCE COMMITTEE MEETING MINUTES

For Tuesday, February 23, 2010

I. Call to Order.

Chairman 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: Mr. Jardell, Ms. Jebe, Mr. Kueffner and Mr. Etheridge.

The following members were absent: Mr. Preston and Mr. Mehrkens.

Also in attendance were the following: Mr. Stone-Port Director and Roy McLeod-Administrative Officer.

III. Approval of Agenda.

Mr. Stone added the following to Items for Information/Discussion.

1. Promotional Moorage rate at the IVF Dock for the 2010 Summer Season.

MOTION by Mr. Etheridge: TO ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED.

The motion passed without objection.

IV. Public Participation on Non-Agenda Items.

There was none.

V. Approval of Previous Meeting Minutes.

MOTION by Ms Jebe: TO ASK UNANIMOUS CONSENT TO APPROVE THE JANUARY 26, 2010 FINANCE COMMITTEE MEETING MINUTES AS PRESENTED.

The motion passed without objection.

VI. Items for action.

1. Amendment to Docks and Harbors Regulation – Passenger for Hire.

Mr. Stone said we are recommending the Committee consider amendments to the port fee regulations as they relate to the assessment of passenger-for-hire fees for day tour boats. At the time of adoption, the Board did not extend the fees to the cruise ship docks, the Intermediate Vessel Float (IVF) and the Marine Park Lightering Float.

VI. Items for action (continued).

In an effort to standardize fees, we are recommending the Board amend the fee regulations. The intent of the amendment is to assess passenger-for-hire fees in lieu of moorage fees to companies that use the port facilities for day tours at all CBJ facilities. He said he would like to change the wording for this regulation to the following:

05 CBJAC 15.030 Dockage Charges

(e) From May 1 to September 30, dockage for all vessels, except those vessels required to pay fees set out in 05 CBJAC 50.030(f) and (h), will be assessed for 24-hour period or portion thereof as follows:

MOTION by Mr. Jardell: TO RECOMMEND THE BOARD ADOPT AN AMENDMENT TO THE PORT FEE REGULATIONS ADDRESSING PASSENGER FOR HIRE CHARGES AND ASK UNANIMOUS CONSENT.

The Motion Passed without objection.

2. Amendment to Docks and Harbors Regulation – Resident Surcharge

Mr. Stone said he was providing an amendment to the resident surcharge regulations that would take into account vessels with numerous on-board residents. The regulation would require vessels with more than three residents to pay an additional fee of \$23 for each resident above three. He said he had received two comments asking to change the number of residents allowed with out additional fees to four to account for live aboard families with children.

Mr. Etheridge said he would like to make a motion to change the additional live aboard fees to Residents over four instead of three.

MOTION by Ms. Jebe: TO RECOMMEND THE BOARD ADOPT AN AMENDMENT TO THE HARBOR FEE REGULATIONS ADDRESSING RESIDENCE SURCHARGES AS AMENDED AND ASK UNANIMOUS CONSENT.

The Motion Passed without objection.

3. 2010 Scheduled Tideland Lease Adjustments

Mr. Stone said Committee Members had asked for information about Lease rent adjustment history so they could review how current lease rates were established. In several cases there was some negotiating and we were able to come to a compromise on the lease rate.

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FINANCE COMMITTEE MEETING MINUTES

February 23, 2010

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VI. Items for Action (Continued)

Thane Ore House – The current rent should be \$6,700, but was billed in error at \$6,200. The Assessed value of the property has increased 9.6% since the last adjustment. The current rate is 12 cents per square foot. A 9.6% increase would change the rate to 13 cents per square foot, or \$7,265 per year. We recommend the rate stay at the current, corrected rate of \$6,700.

Mr. Stone said keeping in mind that appraisals cost \$3,000 to \$4,000. He did not see a significant change in the value of this property to have one done. We have had problems collecting from them in the past and an increase in rent fees may just put them out of business.

MOTION by Mr. Etheridge: TO INCREASE THE LEASE RENT TO THE CORRECTED RATE OF 12 CENTS PER SQUARE FOOT OR \$6,700 AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

Channel Flying – The appraisal by Horan in 2004 recommended raising the rent from \$6,500 per year to \$8,140 per year. After negotiations with the lessee, the Board moved to decrease the rent to \$5,427 per year. That motion failed. The Board then moved to leave the rent at \$6,500 per year. That motion passed. We recommend it remain the same since it was based on a negotiated rate.

Mr. Stone said Mr. Loken, owner of Channel Flying, said that a portion of their lease includes waterfront that they are not using. Negotiations with the Board included a discount for the waterfront area that they were not using.

MOTION by Mr. Etheridge: TO CONTINUE CHARGING CHANNEL FLYING THE CURRENT LEASE RATE OF \$6,500 AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

Franklin dock – The CBJ Assessor's Office 2009 value for this site is \$1,376,000, the same as the valuation set at the last adjustment. The lease calls for rent to be set at 10% of the assessment. During the last adjustment period, the Board changed the rent valuation to 8% of assessed value. We are recommending the rent remain at the 8% level.

Board members asked for more information about why the assessed value has not changed and how they arrived at the 8% when the lease is set at 10% of assessed value.

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FINANCE COMMITTEE MEETING MINUTES

February 23, 2010

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VI. Items for Action (Continued)

Trucano (3 Leases) – Appraisal in 2004 suggested rates of \$7,200 for ATS 750 (.39 per square foot), \$14,010 for ATS 842 (.32 per square foot), and \$10,920 for ATS 1316 (.23 per square foot). The Board initially set the rates at .23 per square foot for all three leases, but later changed that to .20 per square foot for ATS 750 and 842, and .15 per square foot for ATS 1316 after negotiations with the lessee. We recommend all three parcels be set at .20 per square foot.

Mr. Stone said we did a similar adjustment to the Channel Flying lease. We ended up adjusting one of the parcels down to .15 per square foot for waterfront that was not being used. Trucano also gave up some lease land. He is now using all of the property so there is no reason for the discounted rate.

MOTION by Mr. Etheridge: TO ESTABLISH THE THREE LEASES FOR TRUCANO AT .20 PER SQUARE FOOT AND ASK UNANIMOUS CONSENT.

The motion passed without objection.

VII. Items for Information/Discussion.

1. Promotional moorage rate at the IVF Dock for the 2010 summer season.

Mr. Stone said Last year we considered a promotional summer rate at the IVF Dock for returning charter vessels and we decided not to offer one. He was asked once again to consider offering a promotional rate at the IVF Dock for the 2010 summer season. Moorage at the IVF Dock was down and so is the charter business.

Mr. Kueffner said he would be interested in offering a promotional rate at the IVF.

Mr. Etheridge said his bookings have increased dramatically from last year without reducing their rates and they are booked from May through September.

Mr. Jardell said he would be open to a marketing rate to promote use at the IVF and interest new users. He would like it to be a rate that is open to everyone and not just a few user groups.

Mr. Stone said the IVF Dock was pretty empty last summer. The IVF is managed on first come, first serve reservation basis. We have already booked 30 days for this coming summer. Charter vessel owners were mooring at the Auke Bay Breakwater instead of the IVF last year just because it was less expensive. We may be able to lure them back to the IVF Dock if we lowered the rate a little.

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FINANCE COMMITTEE MEETING MINUTES

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VIII. Staff & Member Reports.

There were none.

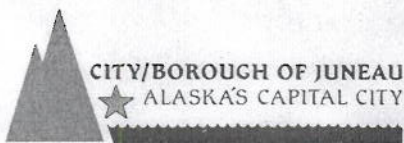
IX. Committee Administrative Matters.

The next Finance Committee Meeting is scheduled for March 23, 2010.


X. Adjournment.

MOTION by Mr. Etheridge: TO ADJOURN AND ASK UNANIMOUS CONSENT.

The meeting adjourned at 5:37 p.m.



Port of Juneau

To: Docks and Harbors Board
CC:
From: John M. Stone, Port Director 
Date: August 25, 2006
Re: Franklin Dock Tidelands Lease Rent

The Finance Committee took up the annual lease rent for the Franklin Dock at its August 24, 2006 meeting.

The CBJ Board of Equalization completed its deliberations on the 2006 assessment for the Franklin Dock Tidelands. The annual lease rent is based on the assessment. The attached email from the CBJ Assessor shows the Board of Equalization established the assessment of the leased tidelands at \$1,376,000. The lease stipulates that the rent be based on the assessment. The current rent is 10% of the assessment. In accordance with recent rent adjustments and tidelands appraiser recommendations, the Committee recommends we establish rent at 8% of the assessment, or \$9173 per month. Since this is a big change from the previous rent, the Committee recommends the new rent start at the beginning of the 2007 calendar year.

Please call me at 586-0294 if you have questions.

Attachments

commencing at the end of the initial term except the Lessor may deny renewal for good cause shown. "Good cause" must relate to acts and omissions under this Lease.

(c) The Lessee shall have eighteen months from the effective date of this Lease to begin construction. If after eighteen months, construction has not begun, this Lease shall automatically terminate.

6. RENT. The annual rent shall be 10 percent of the estimated value of the Leased Premises as determined by the assessor of the City and Borough of Juneau. For the first year of the lease term and until adjusted by the Lessor as provided herein, the rent shall be \$25,299.60 dollars per year based on a value of \$2.00 per square foot for the land, to be paid each year in twelve equal installments of \$2108.25 at the beginning of each month of the lease term. Rent shall begin to accrue on the effective date of this Lease.

7. ADJUSTMENT OF RENTAL. The Lessee agrees to a review and adjustment of the annual rental payment by the Lessor not less often than every third year beginning with the rental due after completion of each review period. Any changes or adjustments shall be based primarily upon the values of comparable tidelands in the same or similar areas; such evaluations shall also include all improvements, placed upon or made to the tidelands, to which the City and Borough has right or title excluding landfill and other improvements placed upon the tidelands by the Lessee except that the value of any improvements credited against rentals shall be included in the value. (Refer to Paragraph 42.) The Lessee may protest the adjustment to the Lessor, and if denied wholly or in part, an appeal may be taken to the Assembly. The decision of the Assembly shall be final.

8. HOLDING OVER. If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over shall constitute a tenancy from month-to-month only on the same terms and conditions set forth in this Lease.

9. INTEREST ON LATE PAYMENTS. Should any installment of rent or other charges provided for under the terms of this Lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.

Lessee hereby covenants and agrees to pay the rent when due and understands that payment of rent is a condition precedent to the continuance of this Lease.

10. TAXES, ASSESSMENTS, AND LIENS. During the term of this Lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills which Lessee may become liable to pay including any tax on leaseholds imposed generally on lessees, and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, other than mortgage lien, against the Leased Premises or the improvements placed thereon.



City & Borough of Juneau • Docks & Harbors
155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

Port of Juneau

To: Docks and Harbors Finance Committee

March 18, 2010

From: Roy McLeod
Port Administrative Officer

Reference: Amended FY 11/12 Budget

A few minor changes have been made to our FY11/12 Budget submission. Projected revenues for both Docks and Harbors remain the same as previously reported. Projected Dock expenses for both FY 11 and FY 12 actually decreased in small amounts - **\$3550** for FY 11 and **\$850** for FY 12. This is due mostly to changes in what the accounting department allows me to charge out to CIP projects.

Harbor expenses have risen by \$87,119 in FY 11 and \$62,656 in FY 12, due to changes in Personnel expense. I originally did not include the Harbor Officer position vacated by Brad Rider as it was my understanding at the time that Dwight Tajon was replacing that position since he would no longer be the supervisor of cruise ship docks during the season.

Overall, both Docks and Harbors are still projecting profits during FY 11 and 12 as shown by the Profit and Loss statements included in your packets.

GL787

Budget-Dock Rev 11-12

Report Format 658

Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Fnd 600 ENTERPRISE FUNDS

Description	09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
Dock Operations						
STATE REVENUES						
531 30100508 State Shared Re	65,021-					
Obj 010 STATE REVENUES	65,021-					
USER FEES						
531 30100420 Tour Sales Perm	164,200-	175,000-		437,500-	400,000-	400,000-
531 30100610 Cruiseship Ligh	11,400-	12,000-	8,400-	12,000-	5,400-	5,400-
531 30100616 Loading Zone Pe	64,565-	66,000-	546-	66,000-	66,000-	66,000-
531 30100620 Potable Water F	79,298-	100,000-	65,185-	95,000-	100,000-	100,000-
531 30100624 Misc. User Fees	931-	1,000-		1,000-	1,000-	1,000-
531 30100636 Shorepower Acce	9,468-	6,000-	4,784-	7,000-	7,000-	7,000-
531 30100638 IVF Moorage Fee	14,671-	125,000-	4,165-	15,000-	15,000-	15,000-
531 30100641 Cruiseship Dock	678,667-	580,000-	427,688-	580,000-	592,000-	592,000-
531 30100646 Maintenance Por	477,333-	500,000-	283,328-	400,000-	474,000-	474,000-
Obj 040 USER FEES	1,500,533-	1,565,000-	794,096-	1,613,500-	1,660,400-	1,660,400-
INTEREST AND PENALTIES						
531 30100401 Interest Income	140,626-	119,500-		100,000-	100,000-	100,000-
531 30100402 Late Fee Intere	3		5			
Obj 050 INTEREST AND PENALTIES	140,623-	119,500-	5	100,000-	100,000-	100,000-
RENTALS						
531 30100415 Other Land Leas	253,086-		66,093-			
Obj 065 RENTALS	253,086-		66,093-			
FEES						
531 30100100 Misc Fees (Dock		2,500-				
Obj 074 FEES		2,500-				
TRANSFERS IN FROM:						
531 39900225 Transfer In - F	40,000-	154,100-	64,208-	154,100-	154,100-	154,100-
Obj 090 TRANSFERS IN FROM:	40,000-	154,100-	64,208-	154,100-	154,100-	154,100-
Sub 030 Dock Operations	1,999,263-	1,841,100-	924,394-	1,867,600-	1,914,500-	1,914,500-
Report Final Totals	1,999,263-	1,841,100-	924,394-	1,867,600-	1,914,500-	1,914,500-

GL787

Budget-Dock Exp 11-12

Report Format 658

Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Description	09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
ENTERPRISE FUNDS						
Dock Operations						
TRANSPORTATION FUNCTION						
BOARD						
Docks						
PERSONNEL						
531 5250101110	Salaries-Regula	411,650	308,100	236,912	470,000	501,200
531 5250101111	Overtime-Regula	19,552	27,800	7,934	16,000	20,000
531 5250101112	Salaries-Season		169,500			
531 5250101113	Overtime-Season	563		596	1,000	
531 5250101116	Leave Accrual	45,691		30,820	70,000	
531 5250101120	Benefits-Regula	304,164	172,500	139,000	277,000	293,900
531 5250101121	Benefits-Season	1,553	94,000	784	1,500	
531 5250101130	Worker's Comp	18,500	16,900	7,042	16,900	14,200
531 5250101140	Manpower	69		2,838	8,000	
531 5250103110	Salaries-Regula	11,609	105,100	7,971	20,000	116,200
531 5250103116	Leave Accrual	9,662				
531 5250103120	Benefits-Regula	6,349	43,500	3,705	8,000	56,200
531 5250103141	Manpower/OH to		148,600-		28,000-	172,400-
Obj 001	PERSONNEL	829,361	788,800	437,603	860,400	829,300 ✓
SUPPLIES						
531 5250101480	Office Supplies	2,043	5,200	197	400	2,000
531 5250101490	Materials & Com	34,928	108,400	12,733	30,000	50,000
531 5250101491	Safety Program	580	2,200	57	100	2,000
531 5250101496	Minor Equipment	1,897	8,400	2,127	5,000	8,000
531 5250103490	Materials & Com	6,116				
Obj 002	SUPPLIES	45,565	124,200	15,114	35,500	62,000 ✓
SERVICES & CHARGES						
531 5250101320	Printing	1,790	4,000		500	1,000
531 5250101322	Advertising	2,390	5,700	238	1,000	1,000
531 5250101330	Rents	52,620	54,600	53,141	53,200	58,000
531 5250101332	Electricity	25,443	35,600	6,184	18,000	20,000
531 5250101333	Fuel Oil	2,815	3,600	532	2,000	2,000
531 5250101334	Waste Disposal	14,895	15,500	6,139	15,000	15,000

GL787

Budget-Dock Exp 11-12

Report Format 658

Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Description		09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
ENTERPRISE FUNDS							
Dock Operations							
TRANSPORTATION FUNCTION							
BOARD							
Docks							
SERVICES & CHARGES							
531 5250101335	Water Service	60,297	80,000	58,648	90,000	120,000	120,000
531 5250101336	Sewer Service	754	1,000	288	1,000	1,000	1,000
531 5250101340	Repairs	22,126	7,500	2,788	30,000	30,000	30,000
531 5250101344	Maintenance Bui		1,000				
531 5250101345	Bldg. Maint Div	1,554	2,100	296	2,000	2,000	2,000
531 5250101360	Equipment Renta		1,000				
531 5250101362	Dock's Fleet Re		9,000	3,750	9,000	9,000	9,000
531 5250101370	Insurance & Bon	60,731	63,700	26,542	63,700	67,100	67,100
531 5250101375	General Liabili	3,100	3,300	1,375	3,300	4,600	4,600
531 5250101380	Dues and Subscr	863	1,000	307	700	1,000	1,000
531 5250101390	Contractual Ser	6,361	5,200	9,649	15,000	10,000	10,000
531 5250101394	Full Cost Alloc	137,600	137,600	57,333	137,600	147,700	147,700
531 5250101397	Bankcard Fees	1,499	1,500	439	1,000	1,000	1,000
531 5250102390	Board Contingen	3,325	30,500	221	20,000	20,000	20,000
531 5250103340	Repairs	896					
531 5250103390	Contractual Ser	14,719		2,000	5,500	6,000	6,000
531 5270101001	Port & MPF Fees	9,000-	9,000-		9,000-	8,300-	5,500-
531 5270103001	Reimbursable Ex	33,736-					
Obj 003	SERVICES & CHARGES	371,041	454,400	229,869	459,500	508,100	512,900
TRAVEL & TRAINING							
531 5250101200	Travel	1,574	6,000	516	1,000	1,000	1,000
531 5250101201	Mileage	6,591	3,600	2,274	5,000	5,000	5,000
531 5250101202	Training & Educ	327	5,000			2,000	2,000
Obj 004	TRAVEL & TRAINING	8,492	14,600	2,790	6,000	8,000	8,000
CAPITAL OUTLAY							
531 5250101510	Vehicles & Equi	12,098	24,500	29,803	38,000	10,000	10,000
531 5250101881	Depr Bldg & Bld						
Obj 005	CAPITAL OUTLAY	12,098	24,500	29,803	38,000	10,000	10,000
TRANSFERS OUT TO:							
531 9952250950	Transfers In &		5,500	5,500	5,500		
Obj 009	TRANSFERS OUT TO:		5,500	5,500	5,500		
Report Final Totals		1,266,558	1,412,000	720,679	1,404,900	1,417,400	1,439,500

GL787

Budget-Harbor Rev 11-12

Report Format 658

Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Description	09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
ENTERPRISE FUNDS						
Boat Harbors						
STATE REVENUES						
530 30000502	Fish tax-Inside	342,695-	350,000-	350,000-	350,000-	350,000-
530 30000508	State Shared Re	105,209-				
Obj 010	STATE REVENUES	447,905-	350,000-	350,000-	350,000-	350,000-
USER FEES						
530 31000001	Annual Moorage	883,607-	915,000-	816,333-	887,000-	900,000-
530 31000002	DeHart's Assign	155,140-	148,000-	25,863-	155,000-	150,000-
530 31000003	Downtown Daily	146,124-	193,300-	54,552-	100,000-	100,000-
530 31000004	Auke Bay Daily	271,314-	408,000-	181,147-	280,000-	280,000-
530 31000005	Downtown Montly	162,132-	93,000-	70,599-	120,000-	120,000-
530 31000006	Auke Bay Montly	193,356-	170,800-	97,246-	170,000-	170,000-
530 31000008	Residence Surch	81,679-	79,000-	31,395-	65,000-	65,000-
530 31000009	Rec Boat Launch	138,883-	144,700-	79,176-	140,000-	140,000-
530 31000010	Com Boat Launch	2,025-	2,500-	910-	2,500-	2,500-
530 31000011	Freight Use Fee	7,914-	12,000-	4,592-	8,000-	8,000-
530 31000012	Freight Staging	175-	300-	300-	400-	400-
530 31000014	Inspected Vesse	32,660-	41,700-	44,662-	50,000-	50,000-
530 31000015	Uninspected Ves	3,950-	5,000-		2,000-	2,000-
530 31000016	Statter Harbor	5,965-	5,200-		5,000-	5,000-
530 31000017	Statter Harbor	26,861-	17,500-	24,933-	32,000-	32,000-
530 31000642	Shorepower Acce	105,966-	125,000-	38,154-	80,000-	80,000-
530 34000634	Grid Fees	7,354-	6,000-	1,956-	4,000-	4,000-
530 34000640	Crane Use Fee	4,333-	17,000-	2,370-	5,000-	5,000-
Obj 040	USER FEES	2,229,440-	2,384,000-	1,474,188-	2,105,900-	2,113,900-
INTEREST AND PENALTIES						
530 30000401	Interest Alloca	459,869-	54,500-		221,700-	114,000-
530 34000101	Late Fee Intere	15,579-	20,000-	6,838-	20,000-	20,000-
Obj 050	INTEREST AND PENALTIES	475,448-	74,500-	6,838-	241,700-	134,000-
RENTALS						
530 31000019	Pump Rentals	240-	200-	80-	500-	500-

GL787

Budget-Harbor Rev 11-12

Report Format 658

Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Description	09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
ENTERPRISE FUNDS						
Boat Harbors						
RENTALS						
530 31000020 Storage Rentals	10,017-	13,000-	9,488-	13,000-	13,000-	13,000-
530 31000021 Private Boathou	3,822-	4,000-	80	3,000-	3,000-	3,000-
530 34000412 Land Lease Rent	290,761-	514,600-	335,986-	540,000-	540,000-	540,000-
Obj 065 RENTALS	304,840-	531,800-	345,474-	556,500-	556,500-	556,500-
FEES						
530 31000023 Staff Labor Fee	1,836-	3,000-	396-	800-	800-	800-
530 31000024 Towing Fees	1,061-	600-				
530 34000201 Waitlist Fees	2,900-	3,000-	1,150-	2,000-	2,000-	2,000-
530 34000698 Vessel Disposal		10,000-				
530 34000699 Other Misc (Har	79,614-	30,000-	13,746-	30,000-	30,000-	30,000-
Obj 074 FEES	85,411-	46,600-	15,292-	32,800-	32,800-	32,800-
FINES AND PENALTIES						
530 30000301 Ord Violations	8,540-	20,000-	5,135-	10,000-	10,000-	10,000-
530 30000302 Minor Offense F	2,110-	4,000-		2,000-	2,000-	2,000-
Obj 080 FINES AND PENALTIES	10,650-	24,000-	5,135-	12,000-	12,000-	12,000-
OTHER						
530 30100498 Harbor Cash Ove	121					
Obj 085 OTHER	121					
Report Final Totals	3,553,572-	3,410,900-	1,846,927-	3,298,900-	3,199,200-	3,202,300-

GL787

Budget-Harbor Exp 11-12

Report Format 658

Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Description	09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
ENTERPRISE FUNDS						
Boat Harbors						
TRANSPORTATION FUNCTION						
BOARD						
Harbors						
PERSONNEL						
530 4050101110	Salaries - Regu	682,267	714,500	287,875	700,000	773,400
530 4050101111	Salaries - Over	28,233	36,000	5,910	25,000	25,000
530 4050101112	Seasonal Labor		76,300			
530 4050101116	Leave Accrual	87,777		40,116	95,000	
530 4050101120	Benefits	516,079	401,100	173,103	420,000	475,800
530 4050101121	Seasonal Benefi	210	53,400	72	100	
530 4050101130	Worker's Comp	18,400	16,800	7,000	16,800	14,100
Obj 001	PERSONNEL	1,332,966	1,298,100	514,076	1,256,900	1,288,300
SUPPLIES						
530 4050101389	Fleet Gasoline	12,887	17,500	4,783	15,000	18,000
530 4050101480	Office Supplies	10,531	12,600	6,288	12,000	12,000
530 4050101490	Materials & Com	107,347	107,500	40,658	100,000	100,000
530 4050101491	Safety Prog & E	1,879	2,200	502	1,000	2,000
530 4050101492	Gasoline & Oil	1,661	1,100	498	1,000	1,000
530 4050101496	Minor Equipment	15,165	15,800	960	5,000	5,000
530 4050101497	Minor Furniture	1,973	500	682	1,000	1,000
530 4050102490	Fire Extinguish	848	1,700	456	1,000	1,000
530 4050103490	Creosoted Lumbe	214				
530 4050104490	Paint & Related	414		104	100	
530 4050105490	Special Clothin	1,076	1,000	216	1,000	1,000
530 4050106490	Janitorial Supp	4,054	5,700	1,355	3,000	3,000
530 4050110490	M & C - Signage	3,471	8,400	1,667	5,000	5,000
Obj 002	SUPPLIES	161,521	174,000	58,168	145,100	149,000
SERVICES & CHARGES						
530 4050101310	Telephone	17,354	20,100	6,516	20,000	20,000
530 4050101320	Printing	862	4,000		1,000	1,000
530 4050101322	Advertising	2,522	4,700		1,000	1,000
530 4050101330	Rents	4,810	5,000		2,000	2,000

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Budget-Harbor Exp 11-12

Report Format 658

Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Description	09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
ENTERPRISE FUNDS						
Boat Harbors						
TRANSPORTATION FUNCTION						
BOARD						
Harbors						
SERVICES & CHARGES						
530 4050101332 Electricity	146,459	142,000	24,829	140,000	140,000	140,000
530 4050101333 Fuel Oil	8,526	11,300	4,426	12,000	12,000	12,000
530 4050101334 Disposal Servic	142,423	152,300	45,388	145,000	145,000	145,000
530 4050101335 Water Service	16,745	24,000	11,156	24,000	24,000	24,000
530 4050101336 Sewer Service	1,004-	3,200	280	2,000	2,000	2,000
530 4050101337 Lease Related P	1,228-	1,300	36,349	40,000	10,000	10,000
530 4050101340 Repairs-Vehicle	11,478	24,500	4,079	20,000	20,000	20,000
530 4050101341 Electronic Repa	2,315					
530 4050101342 Equip Mtn & Rep	22,958	8,000	2,616	5,000	5,000	5,000
530 4050101343 Maintenance Ele	8					
530 4050101344 Maintenance Bui	3,108	4,100				
530 4050101345 Bldg Mnt Div Ch	22,434	6,000	5,397	20,000	15,000	15,000
530 4050101360 Equipment Renta	887	1,100	760	1,000	1,000	1,000
530 4050101362 Harbor's Fleet		18,000	7,500	18,000	18,000	18,000
530 4050101370 Insurance & Bon	60,731	63,700	26,542	63,700	67,000	67,000
530 4050101375 General Liabili	5,600	5,800	2,417	5,800	8,300	8,300
530 4050101380 Dues & Subscrip	2,647	1,200	1,573	2,000	2,000	2,000
530 4050101390 Contract Serv-P	50,400	61,000	73,964	75,000	75,000	75,000
530 4050101394 Full Cost Alloc	137,500	137,500	57,292	137,500	147,600	147,600
530 4050101397 Bank Card Fees	28,483	22,600	19,940	30,000	30,000	30,000
530 4050101481 Postage	9,353	7,700	4,042	9,000	9,000	9,000
530 4050101494 Accident Contin	3,426	3,700				
530 4050102340 Repairs-Launch		500				
530 4050102390 Vehicle Impound	312	8,600				
530 4050103340 Float Mtn & Rep	3,249	2,600	1,168	2,000	2,000	2,000
530 4050103390 Derelict Vessel	7,409	73,600	44,400	20,000	44,000	44,000
530 4050104340 Repairs-Electri	22,140	8,300	989	8,000	8,000	8,000
530 4050104390 Pkg Lot Mtn & R	5,518	6,500	1,018	2,000	2,000	2,000
530 4050105340 Repairs-Harbor	11,549	4,700	779	1,000	2,000	2,000
530 4050105390 Contract Serv-W	2,000		2,000	2,000		
530 4050106340 Repairs-Snow Bl	388	2,400	443	500	1,000	1,000
530 4050106390 Contract Serv-W			179	200		

GL787

Budget-Harbor Exp 11-12

Report Format 658

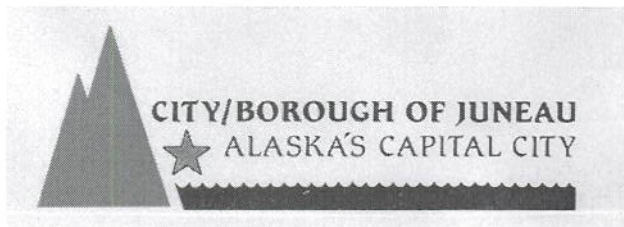
Period 5 ending November 30, 2009

Transaction status 2
Rounding to Whole Dollars

Description	09 Actuals	FY10 BUDGET	10 Actuals	PROJECTED FY10 ACTUALS	FY11 DEPT REQUESTED	FY12 DEPT REQUESTED
ENTERPRISE FUNDS						
Boat Harbors						
TRANSPORTATION FUNCTION						
BOARD						
Harbors						
SERVICES & CHARGES						
530 4050107340 Repairs-Dewater	281					
530 4050107390 Board Contingen	32,417	25,000	221	10,000	10,000	10,000
530 4050110340 Repairs-Signage	3,591					
530 4050111340 Water Sys Mtn &	9,402	6,400	4,907	6,000	2,000	2,000
530 4050112340 Repairs-Cranes	3,863	2,500	2,265	5,000	4,000	4,000
530 4050201390 Contract Serv	785					
Obj 003 SERVICES & CHARGES	801,700	873,900	393,433	826,700	829,900 ✓	829,900
TRAVEL & TRAINING						
530 4050101200 Travel	4,002	6,000	561	3,000	4,000	4,000
530 4050101201 Mileage	1,414	1,200	1,717	4,000	4,000	4,000
530 4050101202 Training & Educ	194	1,800	149	1,000	1,000	1,000
Obj 004 TRAVEL & TRAINING	5,611	9,000	2,427	8,000	9,000 ✓	9,000
CAPITAL OUTLAY						
530 4050101510 Machinery & Equ	13,727	31,600	29,803	30,000	10,000	10,000
530 4050101881 Depreciation Bl						
530 4050101882 Depreciation Eq						
Obj 005 CAPITAL OUTLAY	13,726	31,600	29,803	30,000	10,000 ✓	10,000
DEBT SERVICE						
530 4050101830 07 Hbr Rev Bond	2,368-					
Obj 006 DEBT SERVICE	2,368-					
MISCELLANEOUS						
530 30000036 Bad Debts	112,468	80,000	94	50,000	50,000	50,000
530 4050101204 Recruitment & R	1,009					
Obj 007 MISCELLANEOUS	113,477	80,000	94	50,000	50,000 ✓	50,000
TRANSFERS OUT TO:						
530 9953260950 Transfer Out to	691,400	752,600		752,600	752,200	751,400
530 9953540950	292,514					
Obj 009 TRANSFERS OUT TO:	983,914	752,600		752,600	752,200	751,400
Div 001 Harbors	3,410,548	3,219,200	998,001	3,069,300	3,061,600	3,087,600
Report Final Totals	3,410,548	3,219,200	998,001	3,069,300	3,061,600	3,087,600

1	Profit and Loss Statement			
2	CBJ DOCKS			
3	For FY 11			
6				
7		FY 09	Current Period as % of Sales	FY 11
8	Sales Revenue			
9	CRUISESHIP WHARFAGE FEE	\$ 678,667.00	50.8%	\$ 592,000.00
10	PORT MAINTENANCE FEE	\$ 477,333.00	35.7%	\$ 474,000.00
11	POTABLE WATER FEE	\$ 79,298.00	5.9%	\$ 100,000.00
12	ELECTRICAL POWER SALES	\$ 9,468.00	0.7%	\$ 7,000.00
13	PORT MOORAGE	\$ 14,671.00	1.1%	\$ 15,000.00
14	MISCELLANEOUS FEES	\$ 76,896.00	5.8%	\$ 72,400.00
15	Total Sales Revenue [J]	\$ 1,336,333.00	100.0%	\$ 1,260,400.00
16				
17	Cost of Sales			
18	ELECTRICITY	\$ 25,443.00	1.9%	\$ 20,000.00
19	WATER SERVICE	\$ 60,297.00	4.5%	\$ 120,000.00
20	TRASH DISPOSAL	\$ 14,895.00	1.1%	\$ 15,000.00
21	Total Cost of Sales [K]	\$ 100,635.00	7.5%	\$ 155,000.00
22	Gross Profit [L=J-K]	\$ 1,235,698.00	92.5%	\$ 1,105,400.00
23				
24	Operating Expenses			
25	Sales and Marketing			
26	OTHER		0.0%	\$ -
27	Total Sales and Marketing Expenses [M]	\$ -	0.0%	\$ -
28	Research and Development			
29	OTHER		0.0%	\$ -
30	Total Research and Development Expenses [N]	\$ -	0.0%	\$ -
31	General and Administrative			
32	Wages and salaries	\$ 801,741.00	60.0%	\$ 829,300.00
33	Outside services	\$ 272,413.00	20.4%	\$ 353,100.00
34	Supplies	\$ 2,327.00	0.2%	\$ 62,000.00
35	TRAVEL AND MILEAGE	\$ 8,492.00	0.6%	\$ 8,000.00
36	MACHINERY AND EQUIPMENT	\$ 81,233.00	6.1%	\$ 10,000.00
37	MISCELLANEOUS	\$ 12,196.00	0.9%	\$ -
38	Total General and Administrative Expenses [O]	\$ 1,178,402.00	88.2%	\$ 1,262,400.00
39	Total Operating Expenses [P=M+N+O]	\$ 1,178,402.00	88.2%	\$ 1,262,400.00
40				
41	Income from Operations [Q=L-P]	\$ 57,296.00	4.3%	\$ (157,000.00)
42	EXTRAORDINARY INCOME			
43	LAND LEASE FEES	\$ 253,086.00	18.9%	\$ -
44	PORT DEVELOPMENT FEES - PUBLIC	\$ -	0.0%	\$ -
45	PORT DEVELOPMENT FEES - PRIVATE	\$ -	0.0%	\$ -
46	CIP REIMBURSEMENT	\$ -	0.0%	\$ -
47	TOUR SALES PERMIT FEES	\$ 164,200.00	12.3%	\$ 400,000.00
48	STATE SHARED REV (ESTIMATE)	\$ 65,021.00	4.9%	\$ -
49	INTEREST INCOME	\$ 140,626.00	10.5%	\$ 100,000.00
50	TRANSFER IN	\$ 40,000.00	3.0%	\$ 154,100.00
51	EXTRAORDINARY INCOME TOTAL	\$ 662,933.00	49.6%	\$ 654,100.00
52				
53	TAXES AND TRANSFERS OUT			
54	MARINE PASSENGER FEES	\$ -	0.0%	\$ -
55	PORT DEVELOPMENT FEES - PUBLIC	\$ -	0.0%	\$ -
56	PORT DEVELOPMENT FEES - PRIVATE	\$ -	0.0%	\$ -
57	TOTAL TAXES AND TRANSFERS [S]	\$ -	0.0%	\$ -
58				
59	Net Profit [T=Q+R-S]	\$ 720,229.00	53.9%	\$ 497,100.00
60				

1	Profit and Loss Statement			
2	CBJ HARBORS			
3				
4	For FY 11			
8				
9		FY 09	Current Period as % of Sales	FY 11
10				
11	Sales Revenue			
12	DOWNTOWN MOORAGE AND RELATED REVENUE	\$ 1,580,976.00	67.6%	\$1,458,200.00
13	DEHART'S MOORAGE AND RELATED REVENUE	\$ 155,140.00	6.6%	\$150,000.00
14	STATTER HARBOR MOORAGE AND RELATED REVENUE	\$ 497,496.00	21.3%	\$487,000.00
15	ELECTRICAL POWER SALES	\$ 105,966.00	4.5%	\$80,000.00
16	Total Sales Revenue [J]	\$ 2,339,578.00	100.0%	\$2,175,200.00
17				
18	Cost of Sales			
19	ELECTRICITY	\$ 146,459.00	6.3%	\$140,000.00
20	WATER SERVICE	\$ 16,745.00	0.7%	\$24,000.00
21	TRASH DISPOSAL	\$ 140,420.00	6.0%	\$145,000.00
22	Total Cost of Sales [K]	\$ 303,624.00	13.0%	\$309,000.00
23				
24	Gross Profit [L=J-K]	\$ 2,035,954.00	87.0%	\$1,866,200.00
25				
26	Operating Expenses			
27	Sales and Marketing			
28	OTHER	\$ -	0.0%	\$0.00
29	Total Sales and Marketing Expenses [M]	\$ -	0.0%	\$0.00
30				
31	Research and Development			
32	Other expenses (specify)	\$ -	0.0%	\$0.00
33	Total Research and Development Expenses [N]	\$ -	0.0%	\$0.00
34				
35	General and Administrative			
36	Wages and salaries	\$ 1,332,966.00	57.0%	\$1,261,500.00
37	Outside services	\$ 486,872.00	20.8%	\$520,900.00
38	Supplies	\$ 154,372.00	6.6%	\$149,000.00
39	TRAVEL AND MILEAGE	\$ 5,611.00	0.2%	\$9,000.00
40	MACHINERY AND EQUIPMENT	\$ -	0.0%	\$10,000.00
41	MISCELLANEOUS	\$ 113,477.00	4.9%	\$50,000.00
42	Total General and Administrative Expenses [O]	\$ 2,093,298.00	89.5%	\$2,000,400.00
43				
44	Total Operating Expenses [P=M+N+O]	\$ 2,093,298.00	89.5%	\$2,000,400.00
45				
46	Income from Operations [Q=L-P]	\$ (57,344.00)	-2.5%	(\$134,200.00)
47				
48	EXTRAORDINARY INCOME			
49	LEASE REVENUE	\$ 290,761.00	8.2%	\$540,000.00
50	FISH TAX	\$ 342,695.00	9.6%	\$350,000.00
51	STATE SHARED REVENUE	\$ 105,209.00	3.0%	\$0.00
52	INTEREST INCOME	\$ 475,448.00	324.6%	\$134,000.00
53	TOTAL - EXTRAORDINARY INCOME	\$ 1,214,113.00	34.2%	\$1,024,000.00
54				
55	TAXES AND TRANSFERS OUT			
56	CBJ SALES TAX	\$ -	0.0%	\$0.00
57	TRANSFER OUT - BOND DEBT SERVICE	\$ 691,400.00	29.6%	\$752,200.00
58	TRANSFER OUT - MOVE TO 354-74 PER 2008- 15(AQ)	\$ 292,514.00	12.5%	\$0.00
59	TOTAL TAXES AND TRANSFERS [S]	\$ 983,914.00	42.1%	\$752,200.00
60				
61	Net Profit [T=Q+R-S]	\$ 172,855.00	7.4%	\$137,600.00
62				



City & Borough of Juneau • Docks & Harbors
155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

Port of Juneau

To: Docks and Harbors Finance Committee

March 18, 2010

From: Roy McLeod
Port Administrative Officer

Reference: Waterfront Sales Permit Regulation Changes

I am recommending a re-assessment of some of the regulatory provisions of Chapter 10, Waterfront Sales Permits. In particular, the requirement for providing evidence of “actively selling” and the requirement limiting persons to an interest in only one permit.

It is my understanding that one of the main reasons for the “actively sell” requirement was to prevent the cruiseship industry from buying up all the permits and letting them go dormant. This is no longer an economically viable option. The industry would have to out bid all of the regular permit holders at our auction and, at \$50,000 for each permit, it would require an investment of over half a million dollars.

The “actively sell” provision requires permit holders to show us gross revenues of at least \$25,000. Since the permits are now selling for approximately \$50,000 this appears to be a moot point. I believe Docks and Harbors can safely assume the holders are grossing more than \$25,000. Additionally, most of the permit holders use their sales tax forms to prove the revenue goals. This, in itself, causes security concerns since these forms must be kept confidential. Eliminating the requirement eliminates the problem.

The requirement limiting persons to an interest in only one permit also appears to be a holdover from the fear the cruiseship industry would attempt to dominate the local market. I believe this requirement is severely limiting both competition for the permits and entry into the local tour market by young entrepreneurs with new ideas. Eliminating this requirement *might* enable some young person with a good idea but little capital to form a partnership with a permit holder with deeper pockets and more experience. I can see no business or economic reason for Docks and Harbors to participate in limiting free market activity in this area.

My recommendation follows:

- a. Delete 05 CBJAC 10.030, paragraph (b) (1) (D), paragraph (e) in its entirety, paragraph (f) (3) and (4).

Chapter 10

WATERFRONT SALES PERMITS

05 CBJAC 10.010 Policy.

05 CBJAC 10.020 Prohibitions.

05 CBJAC 10.030 Permit duration, reissuance options, transferability, refunds, actively sell requirement, eligibility, number of permits available.

05 CBJAC 10.040 Tour sales permits.

05 CBJAC 10.050 Reserved.

05 CBJAC 10.060 Loading permits.

05 CBJAC 10.070 General operating requirements.

05 CBJAC 10.080 Enforcement and penalties.

05 CBJAC 10.090 Definitions.

05 CBJAC 10.010 Policy.

These regulations are intended to implement the following policies:

- (a) To provide desirable commercial services to cruise ship passengers.
- (b) To provide for orderly administration by the department of appropriate vending in the downtown waterfront area.
- (c) To ensure that vending uses shall remain incidental to the principle uses of the downtown waterfront area. The principle uses are pedestrian, vehicular, and recreational access to the docks and waterfront. The director may order the suspension of vending activities as necessary to avoid conflict with the principle uses.
- (d) To collect revenues in support of management of and improvements to City and Borough harbor and waterfront facilities.
- (e) To assure fair treatment of persons wishing to sell tours in the downtown waterfront area.
- (f) Establish a system of tour sales and tour brokerage permits in order to effectuate the purposes listed above. The administration of such system shall be for the benefit of the general public, and the grant or denial of a permit, or any act or omission by the city with respect to such permit is not intended to regulate the private business relationships or to protect the business interests of one party against the other. It shall be the individual responsibility of the permit holders and their clients to enforce their rights and liabilities through civil actions or such other private relief as may be available.

(01/19/98)

05 CBJAC 10.020 Prohibitions.

- (a) A person shall not conduct any commercial activity within the downtown waterfront area except as authorized by a permit issued under this chapter by the director. Except as authorized by a permit, a person shall not within the downtown waterfront area:

- (1) Sell or offer to sell goods or services,
- (2) Construct, maintain, or use any structure, or
- (3) Use any loading zone.

(b) Solicitation, advertisement, sales, use of loading zones or any other commercial activities without a permit issued pursuant to this chapter is a violation of CBJ 85.25.090 (11).

(c) A person delinquent in the payment of fines, taxes, judgments or other monies owed to the city may not receive a permit.

(d) No permit may be issued or reissued to any person whose prior permit hereunder was revoked.
(01/19/98)

05 CBJAC 10.030 Permit duration, reissuance options, transferability, refunds, actively sell requirement, eligibility, number of permits available.

Permits may be issued by the director. Permits are valid only for the dates, times, areas, and activity specified.

(a) *Duration.*

- (1) Tour sales, tour broker, and loading permits shall be valid only from May 1 through October 15 of each permit year.
- (2) No permit may be issued for a period in excess of one calendar year.

(b) *Reissuance.* Permits may be reissued only as authorized by these regulations. A reissued permit shall be subject to the regulations in effect for the year in which the permit is used. Permittees and option holders assume the risk that changes in regulations could affect their business through reduced revenues, increased costs, or both; that the number, location and rules for permits may be changed from year to year without liability to the city, compensation to permittees or option holders, and that municipal regulation hereunder shall be immune from liability pursuant to AS 09.65.070 and other applicable law.

(1) *Reissuance options.*

- (A) A reissuance option entitles the holder to apply for and receive a permit for the tour season designated in the option, provided that the holder meets all the requirements for permit applicants and holders in the year the reissued permit will be operated.
- (B) The fee for any permit issued pursuant to a reissuance option shall be the same as the fee paid for the original permit.

(C) The holder of a reissuance option shall notify the director of its intention to seek reissuance. Written notice must be received by the director no later than December 1 preceding the year in which the reissued permit will be operated. If the notice is not so received, if application is not made, or if for any other reason the permit is not reissued, the director may consider the permit, including any remaining reissuance periods, as forfeit and either available for issuance to others or withdrawn from any issuance.

(D) The holder of a reissuance option may be requested to provide evidence of "actively sell" with notice of intent to seek reissuance.

(E) These regulations apply to any permits and reissuance options authorized by 05 CBJAC 10.010--10.090.

(c) *Transferability.*

- (1) A permit, other than a limited loading permit, may be transferred, together with any reissuance options, provided that such transfer includes the transferor's entire business interest in activities conducted under the permit. The transferor's business interest includes all assets used in the business conducted under the permit.
- (2) No permit may be leased or rented, nor may the permittee allow the permit to be used by any person who is not an employee of the permittee.
- (3) A transferred permit is not valid until it has been approved and reissued by the director.

(d) *Refunds.* No permit fees shall be refunded after the issuance of a permit.

(e) *Actively sell requirement.* A requirement that a permit holder "actively sells" means that the permit holder either derives a significant portion of its income from sales made through a tour sales or broker's permit, or that the permit holder is making substantial use of the permit.

- (1) A permit holder shall be deemed to derive a significant portion of its income from sales made through a waterfront tour sales or broker's permit if the amount of its gross income from such sales is not less than ten percent of the permit holder's gross revenue in Juneau between May 1 and October 15.
- (2) A permit holder shall be deemed to be making substantial use of the permit by showing gross revenue from sales through the permit of over \$25,000.00.
- (3) If required by these regulations, the director, [or] a form issued hereunder, a person shall demonstrate satisfaction of the "actively sell" requirement by submitting the following:
 - (A) A month by month report of gross permit revenue during the entire term of the permit which required active selling, together with a written explanation of how

waterfront sales were calculated. If the applicant proposes to demonstrate that it derived a "significant portion of its income from sales made through a waterfront tour sales or broker's permit" the holder shall also provide a report of the permit holder's gross revenue from all other sources in Juneau from May 1 through October 15 for the year in which the permit was used.

- (B) Copies of City and Borough of Juneau sales tax returns for the permit period subject to the requirement for active selling. Copies of the tax returns shall be accompanied by a written waiver of confidentiality with respect to the returns.
 - (4) A failure to demonstrate and satisfy the "actively sell" requirement to the city's satisfaction may result in the revocation of the permit and any reissuance options purchased with the permit, and an ineligibility to bid for a waterfront permit of the same kind for a period of one year.
- (f) *Permit eligibility and requirements.*
- (1) To be eligible to bid on a tour sales or tour broker permit, the permit applicant must:
 - (A) Hold a current Alaska business license, and
 - (B) Maintain a place of business under the name on the Alaska business license within the boundaries of the city and borough.
 - (2) Any person holding a permit must maintain a year round place of business and mailing address in the City and Borough of Juneau, Alaska, and must designate a single individual by physical address, mailing address and phone number in Juneau upon whom service of notices and legal proceedings may be made. Service of any notice concerning the permit to that person shall be legal and sufficient notice to any of the holders, owners or any other with an interest in the permit. The director must be notified in writing no less than ten days before there is a change in the name, address or phone number of the designated person for a permit. Failure to timely notify the director shall be considered a violation of the permit conditions.
 - (3) No person shall have an interest in more than one permit. As used in this section, "interest" means an equity interest in a permit or in a legal entity owning a permit, which interest is held by the person or a spouse, minor child, dependent, or a regular member of the person's household, but does not include the financial relationship between a permit holder and a tour provider for whom the holder sells tours. This subsection only applies to tour sales and tour broker permits.
 - (4) Tour sales permit holders and tour broker permit holders must actively sell during the tour season.
- (g) *Number of permits available.* The director shall publicly announce the number, type and schedule for application for permits.

(01/19/98; Amended 5-2-2000, eff. 5-16-2000)

05 CBJAC 10.040 Tour sales permits.

A tour sales permit authorizes the solicitation and sale of tours and experiences.

(a) *Application process and permit award.*

- (1) *How to apply.* No later than December 1, of each year, the port director will publicly announce an application period for tour sales permits. The notice will include a description of how to apply for a permit, the number and type of permits available, and the process that will be used to award the permits. Persons must apply on an application form provided by the port director and must include all required information and attachments.
- (2) *Application review.* The port director will review each application to determine if it is complete. The port director will reject incomplete applications. The port director will review complete applications to determine if the applicant meets the permit eligibility requirements set out in 05 CBJAC 10.030(f).
- (3) *How the permits are awarded.* The port director will award the permits by public outcry auction. The minimum bid for a permit is \$5,000.00. Applicants meeting the permit eligibility requirements set out in 05 CBJAC 10.030(f) will be allowed to bid on a permit provided the applicant posts a \$5,000.00 bid bond payable to CBJ. The applicant must agree to forfeit the bid bond in the event the applicant does not honor a winning bid on a permit.

(b) *Permit requirements.* The port director may issue permits and require permit holders to comply with stipulations as necessary to assure compliance with applicable requirements of this chapter and the Maritime Transportation Security Act of 2002. Permit holders shall also comply with the prohibitions set out in 05 CBJAC 10.020, the tour sales area rules set out in 05 CBJAC 10.040(c), and the general operating requirements set out in 05 CBJAC 10.070.

(c) *Tour sales area rules.*

- (1) A permit holder shall only sell tours in a booth provided by the port director. The port director will provide booths at the Steamship Wharf Plaza, the Visitor's Center Lot, and the Columbia Lot sales areas. The port director reserves the right to relocate or close booths as required for public safety, security, or other good cause. The booths at each sales area will be assigned by lot. In order to assure equitable exposure for each permit holder, the port director will cause the permit holders to shift one booth on each day of operation. A permit holder shall only occupy the booth assigned by the port director.
- (2) A permit holder shall not have more than one representative selling tours at a booth. A permit holder shall maintain a presence at its booth during all hours when cruise ship passengers are likely to purchase tours in a sales area.

- (3) The permit holder shall provide the port director with a list of all tours sold by the permit holder.
- (4) The permit holder may display one large sign on the booth provided the sign does not extend beyond the front profile of the booth. The permit holder may also display a one-foot by one-foot sign for each tour the permit holder sells. The signs may not extend more than six inches beyond the front profile of the booth.
- (5) The permit holder shall not engage in hawking nor shall the permit holder interfere with the operations of other sales booths.

(01/19/98; Amended 5-2-2000, eff. 5-16-2000; Amended 1-7-2008, eff. 1-15-2008)

05 CBJAC 10.050 Reserved.

Editors Note: Regulation adopted January 7, 2008, effective January 15, 2008, repealed 05 CBJAC 10.050, which pertained to tour broker permits.

05 CBJAC 10.060 Loading permits.

No person shall operate, park, stand, or stop a commercial vehicle, or cause or direct the same, within the designated loading zones in the downtown waterfront area except as authorized by a permit issued hereunder. Vehicular use of designated loading zones for commercial purposes without a permit is a violation of CBJ 85.25.090(11).

(a) Application process.

- (1) Application forms for loading permits will be available at the Harbor office between April 1 and October 15.
- (2) Applications must be made on the form provided by the department, and must be complete, including all required attachments. Any incomplete application will not be considered for a permit.

(b) Permit requirements and conditions of operations.

- (1) The port director is authorized to designate loading zones in the downtown waterfront area and establish rules to assure safety, security, and efficiency of operation.
- (2) The port director may issue loading zone permits and require permit holders to comply with stipulations as necessary to assure safety, security, and efficiency of operation. Permit holders shall also comply with the loading zone rules set out in 05 CBJAC 10.060(c) and the general operating requirements set out in 05 CBJAC 10.070.
- (3) An applicant for a loading zone permit must show that use of the permit will be limited to transportation of passengers and/or crew to or from cruise ships. If the applicant will be transporting passengers, the showing must consist of at least one of the following: