

CBJ DOCKS & HARBORS BOARD
FINANCE COMMITTEE MEETING MINUTES

For Thursday, January 18, 2007

I. Call to Order.

Mr. Preston called the meeting to order at 5:00 p.m.

II. Roll.

The following members were present: Mr. Fisk, Ms. Jebe, Mr. Knapp, Mr. Kueffner, Mr. Simpson, Mr. White, and Mr. Preston.

Also in attendance were: Mr. Stone, Port Director and Mr. McCall, Harbormaster.

III. Approval of Agenda.

Mr. Stone asked to move Items for Action #3 to #1 and to add #4 Miscellaneous Fee Issues.

MOTION by Mr. Knapp: ASK UNANIMOUS CONSENT TO APPROVE THE AGENDA AS AMENDED. The motion passed without objection.

IV. Public Participation on Non-Agenda Items.

There was no public participation.

V. Approval of Previous Meeting Minutes.

MOTION by Mr. White: ASK UNANIMOUS CONSENT TO APPROVE THE NOVEMBER 16, 2006 FINANCE COMMITTEE MEETING MINUTES. The motion passed without objection.

VI. Items for Action.

1. Port Maintenance Fee Applicability to Cruise Ship Lightering.

Mr. Stone said the issue came up last summer regarding ships that anchor out and lighter to our floats before going to a private dock. They were charged the lightering fee and the maintenance fee. Cruise Line Agencies of Alaska has asked for no maintenance fee or a reduced fee for those ships.

Andrew Green, CLAA, passed out a memo to the Committee members. He requested to amend section 05CBJAC 15.040 Port Maintenance Fee to include an exemption for ships that lighter for less than 3 hours in a 24 hour period and are calling at a private facility within the same 24 hour period or portion thereof.

The Committee members discussed the issue with Mr. Green.

VI. Items for Action (continued).

Mr. Fisk asked to have the Port Director make a recommendation and bring it to the next Board meeting. Mr. Stone said he would propose a draft to bring before the full Board. Mr. Preston said a public hearing on this issue would be held at the next Finance meeting.

2. Docks and Harbors FY 08 Amended Budgets.

Mr. Stone said the deadline is February 10th, but we can still amend after that date. We will present before the Assembly in May and they will take final action in June. He will work with the CBJ Finance Department in preparation for Assembly action. The major budget issue is the increase in PERS. Some of that burden may be lifted if Governor Palin's proposed budget is adopted by the Legislature.

Mr. Stone said the Docks FY 08 amended budget is \$1.8M. He went through the budget line by line with the Committee members.

Mr. Stone said the Harbors FY 08 amended budget is \$3.4M. He went through the budget line by line with the Committee members.

MOTION by Mr. Kueffner: TO RECOMMEND THAT THE BOARD ADOPT THE DOCKS AND HARBORS FY 08 AMENDED BUDGETS. The motion was seconded by Mr. Fisk.

The motion passed without objection.

3. New Harbor Fee Letter to Harbor Patrons.

Mr. Stone and the Committee discussed the draft of a letter that will be sent to the harbor patrons describing the new fee structure.

It was suggested there be a specific policy regarding good credit history. Clarify that the rates are per foot per year and per foot per month. The letter should state that the Board has simplified the rate structure so that patrons understand that this is a moorage fee simplification update. If advance moorage is not paid on time, then the patron will be assessed moorage at the daily rate.

MOTION by Mr. Simpson: ASK UNANIMOUS CONSENT TO AUTHORIZE THE PORT DIRECTOR TO SEND THE LETTER (AS AMENDED BY THE FINANCE COMMITTEE) TO ALL HARBOR PATRONS EXPLAINING THE NEW HARBOR FEES. The motion passed without objection.

VI. Items for Action (continued).

4. Miscellaneous Fee Issues.

A. Freight Staging Fee.

Mr. Preston said the Operations Committee approved a 4-hour free period for staging. He felt this needed to go before the Full Board for a regulatory change. Mr. McCall filled the Committee in on the discussion that was held at the Operations Committee. It was taken to the Operations Committee since it was an operational issue.

MOTION by Mr. Fisk: ASK UNANIMOUS CONSENT TO RECOMMEND TO THE BOARD THAT THE REGULATION IN RESPECT TO FREIGHT STAGING BE CLARIFIED TO INDICATE THAT THE INTENT OF THE BOARD WAS THAT STAGING COMMENCES AFTER THE MATERIAL HAS BEEN ON SITE FOR MORE THAN FOUR HOURS. The motion passed without objection.

Mr. Simpson said it would be put on the Board's consent agenda.

B. Residence Surcharge.

Mr. Stone said it has come to his attention that some patrons think they don't have to pay the liveaboard fee if they have residential property on shore and paying property taxes. They may be living on their vessel and renting their house out.

The Committee discussed 05 CBJAC 20.050 Residence surcharge section 2. The regulation says "maintains a permanent place of residence on shore", it doesn't say a person who owns a house on shore. It says a place of residence – meaning that they have the ability to show that they live there and are just staying on their boat. You have to prove to the Harbormaster that the residence on shore is your permanent place of residence. If you stay on board a few days, but still maintain a place of residence on land then you are not treated as a liveaboard.

C. Daily Moorage Fees.

Mr. Stone asked to change 05 CBJAC 20.030 Daily moorage fees. We need to provide some language saying you can tie-up for up to 4 hours with Harbormaster approval for no charge. Mr. McCall said the Board already gave him the authority to make decisions based on management of the harbors. Mr. Stone felt language was needed for the grace period.

Mr. Stone said he would provide grace period language under section c and bring it to the next Board meeting.

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VII. Items for Information/Discussion.

There were none.

VIII. Staff & Member Reports.

There were none.

IX. Committee Administrative Matters.

Mr. Preston said the next Finance Meeting would be Thursday, February 15th.

X. Adjournment.

**MOTION by Mr. Fisk: ASK UNANIMOUS CONSENT TO ADJOURN THE MEETING.
The motion passed without objection.**

The meeting was adjourned at 7:32 p.m.