

CBJ DOCKS & HARBORS BOARD  
FINANCE COMMITTEE MEETING MINUTES

For Thursday, June 21, 2007

I. Call to Order.

Mr. Preston called the meeting to order at 5:02 p.m.

II. Roll.

The following members were present: Mr. Fisk, Mr. Knapp, and Mr. Preston.

The following members were absent: Ms. Jebe, Mr. Kueffner, Mr. Simpson, and Mr. White

Also in attendance was Mr. McCall, Harbormaster.

III. Approval of Agenda.

Mr. McCall added Items for Information # 2 Taku River Reds Electrical Installation Costs, and # 3 Residential Surcharge.

**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. Fisk: ASK UNANIMOUS CONSENT TO APPROVE THE MAY 24, 2007 FINANCE COMMITTEE MEETING MINUTES. The motion passed without objection.**

VI. Items for Action.

1. Juneau Marine Services Lease Rent Credit.

Mr. McCall said there is a memo from Mr. Stone regarding an estimate for the new lift tires and the new sheet metal panels and sheaves. Kendrick Equipment Ltd provided a new quotation of parts for maintenance on the travel lift. With the added items, the total is \$21,243.37.

The Committee members discussed the issue of normal wear and tear on the travel lift. The University owns the machine and we sublease it from them. They requested more information regarding the \$7,000 motion control kit.

VI. Items for Action (continued).

**MOTION by Mr. Fisk: ASK UNANIMOUS CONSENT TO AUTHORIZE A RENT CREDIT TO JUNEAU MARINE SERVICES FOR NEW TIRES AND PANELS AND OTHER EQUIPMENT FOR THE MARINE TRAVEL LIFT, THE ACTUAL CREDIT AMOUNT TO BE BASED ON RECEIPTS WITH INSTALLATION LABOR TO BE PROVIDED BY JUNEAU MARINE SERVICES. ALSO, ASK JUNEAU MARINE SERVICES TO PROVIDE MORE INFORMATION REGARDING THE MOTION CONTROL KIT. The motion passed without objection.**

2. Auke Bay Boat Yard Lease Rent Adjustment.

Mr. McCall said there is a memo from Mr. Stone regarding a rent adjustment to \$10,000 per year for the boat yard. The lessee has informed him that this will be his last summer operating the boatyard.

**MOTION by Mr. Knapp: ASK UNANIMOUS CONSENT TO AUTHORIZE THE PORT DIRECTOR TO NOTIFY THE AUKE BAY BOAT YARD THAT THE FINANCE COMMITTEE INTENDS TO REVIEW THE ANNUAL LEASE RENT AT IT'S JULY 19<sup>TH</sup> MEETING AND TO MAKE A RECOMMENDATION TO THE BOARD FOR ACTION AT THE REGULAR BOARD MEETING ON JULY 26, 2007. THE PORT DIRECTOR IS ALSO AUTHORIZED TO TELL THE LESSEE THAT THE PRELIMINARY DATA SHOWS THAT THE RENT WILL BE ADJUSTED TO \$10,000 PER YEAR. The motion passed without objection.**

Mr. Preston said two individuals have expressed an interest in the boat yard -- Mr. Betts & Mr. Duval. We will invite them to the next meeting. Mr. McCall said we would have to send it out to bid.

VII. Items for Information/Discussion.

1. Passenger-For-Hire Fee Review.

Mr. McCall said that persons using the IVF or Marine Park Lightering Float pay a higher moorage fee instead of the passenger for hire fee.

Mr. George, Juneau Steamboat Company, said after calculating his charges, it is cheaper for him to pay what he is now paying instead of the IVF or Marine Park rate. He questioned the possibility of a different rate for alternative fuel vessels. He is trying to keep the cost of his tour down to get higher volume. He includes the sales tax in the fees he charges. The people he gets are the ones pinching their pennies. He just got a second vessel, so hopes to double the number of passengers.

Mr. Fisk said the testimony from our patrons was in favor of a per passenger fee over a seat rate.

VII. Items for Information/Discussion

2. Taku River Reds Electrical Installation Costs.

Mr. McCall said we agreed to extend electrical service to the ice machine as part of the lease agreement. The requirements for the ice machine are 208 3-phase 240-volt system. The wiring that we currently have is 6-gauge which handles a 50 amp service 122/40. This is not sufficient to run the ice machine. The bottom line is it will cost around \$21,000 (not including AEL&P's cost). It is a benefit to put it in, as it will provide power for vessels on the off-season for welding, heat, etc.

The Committee members discussed the obligation under the lease agreement and where the funds are available to cover the costs. This item will be brought up to the CIP Committee and full Board as an informational item.

3. Residential Surcharge.

Mr. McCall said the Committee discussed this issue on January 18, 2007. We have a patron that believes that they do not have to pay liveaboard fees since they maintain a residence on land. The issue is that they have a residence on the uplands, but their primary residence is on the vessel.

The Committee discussed the issue. According to the rules, they have to pay. They are under the obligation to prove to the Harbormaster that the residence on land is their primary residence. If the patron wishes to appeal the liveaboard fee, they can go before the full Board for due process.

VIII. Staff & Member Reports.

Mr. McCall said they did the bid opening for the landing craft today. It is a cost share between CBJ and the Federal Government (25% CBJ and 75% Federal).

IX. Committee Administrative Matters.

Mr. Preston said the next Finance Meeting would be Thursday, July 19th. One item for discussion will be the Auke Bay Boat Yard lease.

X. Adjournment.

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

The meeting was adjourned at 6:08 p.m.