

CBJ DOCKS & HARBORS
FINANCE COMMITTEE MEETING MINUTES

For Thursday, November 20, 2008

I. Call to Order.

Chairman Preston called the Finance Committee meeting to order at 5:00 p.m. in the CBJ Assembly Chambers.

II. Roll Call.

The following members were present: Ms. Jebe, Mr. Fisk, Mr. Kueffner, Mr. Mehrkens and Mr. Preston.

Mr. Kueffner arrived at 5:10 p.m.

The following members were absent: Mr. Ethridge and Mr. Jardell.

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

III. Approval of Agenda.

MOTION by Mr. Fisk: 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.

MOTION by Ms Jebe: ASK UNANIMOUS CONSENT TO APPROVE THE October 16, 2008 FINANCE COMMITTEE MINUTES AS PRESENTED.

The motion passed without objection.

VI. Items for Action.

1. Proposed Changes to Dockage Fee Regulations.

Mr. Stone is proposing a Dockage Fee increase from \$3.00 per foot to \$3.50 per foot effective July 1, 2010. For FY10 he is projecting the operations expenses of the docks enterprise will Exceed the revenues by \$320,400. Mr. Stone provided a graph showing that the Docks Enterprise operating costs have doubled from FY02 to FY10. The primary factor is the doubling of staff to comply with new security requirements. During this time, the dockage fee has not increased in proportion to the increased costs. Considering these factors, Mr. Stone feels a reasonable increase in dockage is justifiable at this time.

CBJ DOCKS & HARBORS
FINANCE COMMITTEE MEETING MINUTES
November 20, 2008
Page 2

VI. Items for action (Continued)

PUBLIC HEARING:

1. Don Habeger – 9300 View Drive, Juneau Alaska 99801
Representative – Celebrity Cruises/ Royal Caribbean

Mr. Habeger said the Cruise Line industry is opposed to the increase and feels there are plenty of revenues from Head tax, port development fees, Net tonnage fees and dockage fees. Mr. Habeger Feels the Funds are there and the Docks & harbors board should go to the Assembly Board to cover the shortfall. He also mentioned that the Cruise ship Industry has completed budgets for the next year and a half. He recommended any proposed increases in the future be put out two years.

Mr. Fisk said the Board is working with the Assembly to seek additional funding. He also asked if Mr. Habeger had any insights from discussions with the City Manager and the Assembly.

Mr. Habeger said in recent meetings with the City manager, one possibility suggested was the 25% of the head tax that is withheld for government operations and not passed on to Docks & Harbors. Possibly a portion of this should go back to Docks & Harbors.

2. Ralph Samuels – 8220 Frank Street, Anchorage, Alaska 99518
Representative for Holland America Lines

Mr. Samuels said he was in agreement with Mr. Habeger in requesting the Docks and Harbors board not increase the dockage fees for the 2009 Cruise season. He also recommended the Tour industry and Harbors Board work together to confront issues that are arising from the changing economy. The tour industry is tightening their budgets in Alaska especially.

3. Andrew Green – 8183 Thunder Street, Juneau, Alaska 99801
Manager of Cruise Line Agencies.

Mr. Green thanked Mr. Stone for the advance notice of the proposed fee increase before it was sent on to the full Board and the Assembly. He understands the shortfall in revenues is due to Port lease revenues being shifted over to Harbors Capital Improvement projects. He understands the Harbors need these revenues, however he feels this is a band aid and that these revenues are directly related to the Port operation and should remain in the Port venture. He would like to see the lease revenues revisited before dockage fee increases are considered. He also apposes the overnight berth fee. Many of the ships are leaving earlier to conserve fuel and he feels this compensates for the few vessels that need to overnight in the Port of Juneau.

Mr. Preston asked if deferring action on this item would help the Cruise Ship Industry.

Mr. Green did not think deferring the action would make any difference.

Further discussions followed between committee members.

CBJ DOCKS & HARBORS BOARD
FINANCE COMMITTEE MEETING MINUTES

November 20, 2008

Page 3

VI. Items for Action (Continued)

MOTION by Mr. Kueffner: TO ACCEPT THE RECOMENDATION OF INCREASING THE DOCKAGE FEES FROM \$3.00 PER FT. TO \$3.50 PER FOOT Efective JULY 1, 2010 AND PASS IT ON TO THE BOARD.

Motion was seconded by Ms. Jebe.

The motion passed with 3 in favor and 2 opposed.

2. Annual Launch Ramp Permit – Multiple Trailer Sticker Policy.

Mr. Stone said the current policy is to allow multiple Launch Permit Stickers to a single person, if they can provide a DMV registration showing they are the owner of the trailers. Staff has noticed an increase in the number of people requesting multiple stickers. Many customers are asking for two permits and some are requesting as many as six.

Mr. Kueffner said he thought each trailer should require a separate purchase of an individual launch permit.

Mr. Mehrkens felt the multiple permits were justified and doubted people were launching more than one boat at a time.

VII. Items for Information/Discussion

There were none.

VIII. Staff & Member Reports.

Mr. Stone said he is trying to work on a policy for the next meeting to deal with Harbor patrons with delinquent fees. He has asked the city attorney if we can publish a list in the newspaper like they do for delinquent sales tax owed.

Mr. Fisk asked if there would be a formal announcement about the passing of Lou McCall.

Mr. Stone said he had done a press release about Lou earlier in the day and a suggestion had been made to name the new Munson Harbor boat after him.

Mr. Preston said he would not be able to attend the next regular board meeting.

IX. Adjournment

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

The meeting adjourned at 6:07 p.m.

