

CBJ Docks and Harbors Committee
Finance Meeting Minutes
For Tuesday, February 26th, 2013

I. Call to Order

Mr. Donek called the Finance Committee Meeting to order at 5:02 p.m. in CBJ Room 224.

II. Roll Call

The following members were present: John Bush, Michael Williams, and Tom Donek.

Via Telephone – Kevin Jardell

Absent: Scott Spickler and Eric Kueffner.

Also in attendance were the following: Carl Uchytel – Port Director

III. Approval of Agenda

Mr. Uchytel asked to move Action Item #2 to the end of the meeting.

MOTION By MR. WILLIAMS: TO APPROVE THE AGENDA AS AMENDED AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

IV. Public Participation on Non-Agenda Items – None

V. Approval of the Finance Committee Meeting Minutes.

Hearing no objection, the January 29th, 2013 Finance Committee Meeting Minutes were approved as presented.

VI. Items for Action.

1. Special Moorage Rate M/V Malaspina/50th Anniversary AMHS

Mr. Uchytel said he received a request from Alaska Marine Highway System to tie up the Malaspina at the Cruise Ship Terminal dock on May 4th as part of the 50th Anniversary community celebration. The Docks and Harbors Board can waive the moorage fees for this special event. This event is also on the same day as the Fisherman's Memorial blessing of the fleet. Mr. Uchytel said he made sure to have AMHS coordinate with Bruce Wheyrock so the two events don't interfere. Mr. Uchytel said he recommends that the Board approve waiving the moorage fees.

Committee Questions - None

**CBJ Docks and Harbors Committee
Finance Committee Meeting Minutes
For Tuesday February 26th, 2013**

Public Comment – None

Committee Discussion/Action

MOTION By MR. WILLIAMS: APPROVE AND RECOMMEND TO THE FULL BOARD TO WAIVE THE MOORAGE FEES FOR THE MALASPINA FOR AMHS 50TH ANNIVERSARY AND ASK UNANIMOUS CONSENT.

Motion passed without objection.

2. FY13/FY14 Budget Submission

Mr. Uchytel handed out the following budget sheets.

FY14 Staffing Schedule, Harbor Revenue, Docks Revenue, Harbor Expense, and Docks Expense- Mr. Uchytel discussed the reports line by line. Mr. Uchytel said working on the budget, he looks at past number and current numbers, and tries to come up with a good future number. Mr. Uchytel said the harbor revenue's include invoiced amounts and not just actual cash on hand. Attached to these minutes are the Harbor Revenue, Docks Revenue, Harbor Expense, and Docks Expense reports.

Committee Comments –

The Committee asked questions and overall was pleased that the budget was easier to understand.

Public Comment – None

Committee Discussion/Action

MOTION By MR. WILLIAMS: TO APPROVE THE FY13/FY14 BUDGET SUBMISSION AND FORWARD TO THE FULL BOARD FOR APPROVAL AND ASK UNANIMOUS CONSENT.

Motion passed without objection.

3. FY14 Moorage Rates

Mr. Uchytel said this is a rate increase effective July 1st, unless the Board takes action not to increase. The Anchorage CPI is 2.2%.

Committee Questions

Mr. Donek asked if this increase was needed from a budgetary stand point?

Mr. Uchytel said Docks and Harbors is doing well. We could do more maintenance with additional money.

Mr. Williams asked if this gradual annual increase has been working?

**CBJ Docks and Harbors Committee
Finance Committee Meeting Minutes
For Tuesday February 26th, 2013**

Mr. Uchytel said patrons have come accustomed to this increase. If it is removed, they might have a problem with an increase every couple of years.

Mr. Bush said deferred maintenance could be done to keep the harbors in good shape.

Public Comment

Paul Swanson, Juneau, AK, asked why Statter Harbor patrons pay \$2.79 more than downtown?

Mr. Uchytel said that is what the market bears.

Mr. Swanson asked why Docks and Harbors is building less slips. He also wanted to know if this price increase includes parking?

Mr. Uchytel said less slips are being built because of space and money. The moorage cost does include parking. DeHarts patrons will have the same parking as last year. In the future, every annual Statter Harbor slip holder will get one free parking pass annually.

Mr. Swanson wanted to know how many people are on the Statter Harbor waiting list currently?

Mr. Uchytel said he did not know how many is on the waiting list.

Mr. Swanson said Docks and Harbors will be losing revenue.

Mr. Uchytel said the demand was met.

Discussion continued on number of slips being built and length of boats allowed in the 32' slips.

Committee Discussion/Action

MOTION By MR. WILLIAMS. TO APPROVE THE CPI INCREASE AND SEND TO THE FULL BOARD AS AN INFORMATION ITEM AND ASK UNANIMOUS CONSENT.

Motion passed without objection.

VII. Items for Information/Discussion.

1. Adjustment of Rental Law 53.20.190

Mr. Uchytel said rental law 53.20.190 states that every five years leases are to be reviewed, and possibly adjusted. Mr. Uchytel said he adjusted Mr. Huemann's lease by using 8% of the assessed value. Mr. Huemann is contesting this because he is saying the increase should not be based on the improvements he made to the property. The CBJ assessor is also saying that tideland property should not be figured on assessed values because it does include the improvements. Mr. Uchytel said he can have

CBJ Docks and Harbors Committee
Finance Committee Meeting Minutes
For Tuesday February 26th, 2013

the property appraised. Per 53.20.190 the rent should be based on unimproved comparable values. He said he is trying to work in the framework of the lease to provide something that is fair and reasonable and is looking for recommendations.

More discussion followed on amount of increase and improvements that were made.

The Committee recommended to get an appraisal to stay with a transparent process.

2. Update of ADOT Property Activity

Mr. Uchytel said he has received the paperwork for the S. Franklin sidewalk that was needed to move forward with the uplands cruise ship terminal project.

Mr. Uchytel said Charles Horan was hired by ADOT to appraise the property needed for the easement to Dick Deems property. ADOT's offer was \$50,000, but based on value of land Mr. Uchytel was requesting \$83,000. Mr. Uchytel said he told Mr. Horan the new appraisal should include the total ownership for this property, improvements and the cost for the removal of asbestos. The most valuable piece of property is the part that ADOT wants.

VIII. Staff & Member Reports – None

IX. Committee Administrative Matters.

1. Next Finance Committee Meeting March 26th, 2013 at 5:00 p.m. in CBJ room 224.

X. Adjournment

The Finance Committee adjourned at 6:37 p.m.