

**CBJ Docks and Harbors Board**  
**COMMITTEE OF THE WHOLE MEETING MINUTES**  
**For Thursday, August 21st, 2014**

- I. Roll Call – the meeting was called to order at 6:32 p.m.

The following members were present: John Bush, Robert Janes, David Logan, Michael Peterson, Budd Simpson, David Summers, and Greg Busch.

Absent: Tom Donek and Scott Spickler

Also present were the following: Carl Uchytel – Port Director, and Dave Borg – Harbormaster

- II. Approval of Agenda.

***MOTION By MR. SIMPSON: TO APPROVE THE AGENDA AS PRESENTED AND ASK FOR UNANIMOUS CONSENT.***

***Mr. Logan requested to add agenda topic Depth of Focus.***

***Mr. Simpson accepted Mr. Logan's request as a friendly amendment and removed "ask for unanimous consent".***

***No Objection***

- III. Agenda Topics

A. Depth of Focus

Mr. Logan said this topic is for figuring out how in-depth the Board wants to go with the fee review process. He said he talked with Mr. Uchytel and the fee's could be looked at two different ways.

1. Look at how long it has been since some fees have been adjusted and modify it to what is appropriate, which would be much less in-depth.
2. Examine the actual costs of the services to determine if we are charging the correct fees.

Mr. Uchytel said he sees the reason to go through this fee review is for fairness and transparency. In the spring when staff was working on the budget, Board members were questioning why some fees had a CPI adjustment and some didn't, and that is why the fee's are being reviewed. Mr. Uchytel said he looked up when all the fees were last modified and added it to the sequencing of review list.

Mr. Busch said he suggests to do a refresh and not an in-depth analysis.

Mr. Simpson suggested to do a more in-depth analysis, and look at the cost to provide services. He would like a study on what other in state Harbors are charging.

**CBJ Docks and Harbors Board**  
**COMMITTEE OF THE WHOLE MEETING MINUTES**  
**For Thursday, August 21st, 2014**

Mr. Summers said some fees will require more in-depth review than others and provided an example for live-aboard versus launch ramp permits.

Mr. Busch said he recommends to look at the fees realistically and determine what the market analysis is and what makes sense.

Mr. Peterson suggested to do both. Start with a refresh on all the fees and go more in-depth on the fees that the Committee sees a problem with. There is an untapped resource with Docks & Harbors work force. The staff are the ones that receive the complaints about the fees being too high. Is there any merit to addressing the fees that are receiving the most complaints first to take some of the pressure off staff, and see where that might lead?

Mr. Uchytel said the ABLF is the most complained about. There is the perception that Docks & Harbors is competing with the private sector. What should the rates be, so high that no one use it, or what is fair and reasonable.

Mr. Borg asked if the capabilities trump competing with the private sector? Docks & Harbors has more capabilities than the private enterprise.

Mr. Uchytel asked if Docks & Harbors role is to compete or pick up the niches that private enterprises are unable to do.

Mr. Busch said that there would be another reason for this discussion because when Docks & Harbors purchased the lift, the thought was this would be something that could be made available for a commercial entity. Should this be leased out?

Mr. Logan said he requested to put the ABLF discussion on the OPS agenda next month as to what we are going to do with that.

Mr. Janes said some of these fees will stand out and others we will need to dig deeper on. He sees this as a project that could take a year to go through all the fees and make good decisions to bring things into order.

Mr. Simpson said he recommends to take time on the fee reviews and be able to justify the decisions for changes.

Mr. Borg said he can definitely point out the hot topics from the patrons. The number one item is the disparity between Statter Harbor and downtown moorage fees.

Mr. Peterson asked if Mr. Uchytel would identify what fees are adjusted by the CPI and what fees are not?

Mr. Uchytel said Moorage and Skiffs are the only fees CPI adjusted.

Mr. Logan said Mr. Simpson will be the Chair for the Committee that is reviewing the Harbor fees and Mr. Busch will be the Chair for the Committee reviewing the Port fees. He said he is hearing a consensus from the Board

**CBJ Docks and Harbors Board**  
**COMMITTEE OF THE WHOLE MEETING MINUTES**  
**For Thursday, August 21st, 2014**

that the fees will need to be reviewed systematically. Some fees will be a little easier and some will be more arbitrarily based on a variety of factors. Mr. Logan asked the two Chairs what they will need from staff to move forward.

Mr. Simpson said he would like to see the sequencing list show current fees and how they are based. He requested a market survey from AAHPA and PCC to see operation costs for other places.

Mr. Uchytel said he does have one from 2012 in the packet, and also the Sitka study that was an in-depth review of all their facilities.

Mr. Simpson said he would like Seward and Whittier included in the study, and the 2012 study updated to 2014.

Mr. Logan asked if the cruise ship fees under regulation also have a signed contract.

Mr. Uchytel said the cruise ship fees are just under regulation.

Mr. Busch said he would like a comparison with Ketchikan and Seattle ports cruise ship fees.

Mr. Peterson said he would not like the Tideland Leases reviewed.

Mr. Simpson said there is already an ordinance that states what needs to be charged.

Mr. Uchytel said he put that in the fee review because there is a \$10.00 lease application fee.

Mr. Logan assigned the Committee's

Docks fee Review

Greg Busch – Chair

David Summers

John Bush

Mike Peterson

Harbors fee Review

Budd Simpson – Chair

Tom Donek

Scott Spickler

Bob Janes

Mr. Logan left the meeting and Mr. Simpson will now Chair the remainder of the Committee of the Whole meeting.

**B. Overview of Docks & Harbors Expenditures and Revenue Sources.**

Mr. Uchytel said the Lawson reports for Docks/Harbors in the packet gives a breakdown on various revenues and how expenses are assigned. He said it will not provide a breakdown for expenses from Auke Bay and Downtown.

Mr. Simpson said he would like that breakdown. Having it broken out would be easier to see if the fee structure is a fairness issue.

Mr. Janes asked to wait and ask for that information when the Committee is ready for it.

**CBJ Docks and Harbors Board**  
**COMMITTEE OF THE WHOLE MEETING MINUTES**  
**For Thursday, August 21st, 2014**

Mr. Uchytel said on the Lawson report it will give total revenues, but it does not give a breakdown. He showed the account codes for Docks & Harbors FSM accounting system and asked Ms. Scovill for an explanation on the breakout.

Ms. Scovill said downtown moorage code includes Douglas, Harris and Aurora, but Statter Harbor has a separate moorage code.

Mr. Simpson said he would like the fee rates added to the sequencing of review list, and the last two fiscal years for Auke Bay and Downtown moorage and related fees.

Mr. Busch said he would like one fiscal year for all the Dock Enterprise fees and what Ketchikan and Seattle rates are for comparison.

C. Boating Trends

Mr. Uchytel showed a power point from the Pacific Coast Conference showing boating trends.

D. Comprehensive Fee Review process – Mr. Simpson said this has already been discussed.

IV. Adjournment

The Committee of the Whole Meeting adjourned at 7:35 p.m.