

CBJ DOCKS & HARBORS BOARD
FINANCE MEETING MINUTES
For Thursday, April 23rd, 2015

I. Call to Order The Finance committee meeting was called to order at 5:00pm in City Hall Conference Room 224.

II. Roll Call The following members were present: Greg Busch, Tom Donek, Dave Logan, Mike Peterson, and Scott Spickler

Also present: Carl Uchtyl – Port Director; David Borg – Harbormaster; John Binkley & Mike Tibbles from Cruise Line International Association Alaska (CLIA).

III. Approval of Agenda

MOTION BY MR. PETERSON: TO APPROVE THE AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections

IV. Public Participation on Non-Agenda Items – None.

V. Approval of March 19th, 2015 Finance Committee Meeting Minutes

MOTION BY MR. PETERSON: TO APPROVE THE MARCH 19, 2015 MEETING MINUTES AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections

VI. Consent Agenda

A. Public Requests for Consent Agenda Changes - None

B. Committee Member Requests for Consent Agenda Changes - None

C. Items for Action

1. Statter Harbor Parking

Recommendation: New Launch Ramp Facility

i. Rate

1. \$5/day

2. \$1/hourly

3. 10-day maximum in season

4. Applies to either vehicles or vehicles plus trailers

5. Limited number of monthly parking will be managed and issued by the Port Director or representative at \$100/month.

ii. Off season discounted rate (Oct-April)

1. \$50/month

Existing Harbor Office Parking

i. Rate

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1. \$5/day
2. \$1/hourly
3. 10-days maximum in season
4. \$100 monthly rate w/limited number of parking not over 20.
5. No trailers
6. Reserved Statter Harbor moorage patrons will receive one year-round parking pass included in moorage cost. This does not guarantee parking.
- ii. Off season discounted rate (Oct-April)
 1. \$50/month
2. Staff Labor Fees (05 CBJAC 20.140)

Recommendation: \$75 per hour for each staff person with a one-hour minimum charge per staff person. \$125 boat charge per hour, one-hour minimum, and increments each 30 minutes prorated.

MOTION BY MR. BUSCH: TO APPROVE THE CONSENT AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objections

VII. Unfinished Business -

1. Aurora Harbor Rebuild Project – Installation of Phone & Cable TV

Presentation by Port Director

Mr. Uchytel stated that he consulted with ACS & GCI after patron concerns of not having phone or cable services in the new portion of Aurora Harbor. The CEO of ACS has advised that they are still not interested in wiring the new part of Aurora. GCI will be looking in to providing the wiring and will let us know if they are interested. GCI asked if Docks & Harbors will pay for installation or do any sort of licensing. Mr. Uchytel stated he thought no that it would be up to GCI to pay for this if they want to provide services to Harbor Patrons and they can collect their normal fees for services. Mr. Uchytel also advised he sent a letter to Direct TV. Snowcloud is interested in putting an antenna in Douglas for wireless services. We are waiting to hear back.

Board Questions - None

Public Comment - None

Board Discussion/Action

NO MOTION

VIII. New Business

1. Appropriation Ordinance for \$100,000 from ADOT/PF for Statter Harbor.

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Presentation by Port Director

Mr. Uchytel stated ADOT created the round-about at Auke Bay and ADOT was required to accommodate Mr. Deems his driveway that encroached in to our Boat Launch. We negotiated that they pay us \$100,000.00. Docks & Harbors cannot accept and cash the check until the Harbor Board accepts and then we must get City Assembly approval. We are being compensated for having to build a retaining wall.

Board Questions

Dr. Logan asked if there are any strings attached to accepting the payment?

Mr. Borg answered no.

Public Comment - None

Board Discussion/Action

MOTION BY MR. GREG BUSCH: TO APPROVE THE APPROPRIATION ORDINANCE FOR \$100,000 AND FORWARD TO THE REGULAR BOARD FOR APPROVAL AND ASKED FOR UNANIMOUS CONSENT.

Motion passed with no objections

IX. Items for Information/Discussion

1. Abby's Kitchen

Presentation by Tom Roha

Mr. Roha was not present.

Mr. Uchytel stated Mr. Roha is interested in developing a restaurant at Douglas Harbor Parking Lot area. We could move forward with this although we would have to open it up to any parties interested therefore, Mr. Roha may not be awarded the project. We would have to give up some trailer parking. There would have to be a vacate of the right of way for Dock Street.

Mr. Donek requested to get a count of all the trailer parking in Douglas on the busiest days to see what would be affected if we did go forward.

Mr. Uchytel stated he has done this in the past and will get those numbers.

Dr. Logan asked what is the next step?

Mr. Uchytel answered we need to decide if it is worth looking in to and if we want to make the land available for commercial use.

Mr. Busch said he supports looking in to this since it would enhance Douglas Harbor.

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Mr. Peterson asked who requests the vacate right of way?

Mr. Uchytel answered the application would be from Docks & Harbors.

Dr. Logan stated he recommends adding this to the full board agenda as an action item for the board to discuss then make a motion.

X. Staff & Member Reports

Mr. Uchytel introduced John Binkley & Mike Tibbles from Cruise Line International Association Alaska (CLIA) and had asked them to come and speak to us regarding the cruise line industry and how it affects Docks & Harbors.

John Binkley, President CLIA Alaska – Fairbanks, AK

Mr. Binkley stated CLIA represent over 420 ships and 23 million passengers worldwide this year. We have 31 ships scheduled for 482 voyages in Alaska this year. We use to have about 7% of the world market in Alaska and we have dropped to 4.5%. The Asia Cruise market has been increasing. It is time to be cautious in the industry since Alaska could be losing business to other markets in the future years. For this current year Alaska is selling well. Sales are strong with the Travel Agents and they do not have to do discounts to get sales. By 2020 there will be new ships completed for the Asia market that may take away from Alaska cruise business.

Mr. Uchytel stated he is committed to having better lines of communication between Docks & Harbors and CLIA. It was not a great partnership in the past and we are going to improve that. The recent projects were decided politically by Juneau to enhance the closer downtown area as opposed the Gold Creek area that CLIA preferred.

The downtown corridor is better for the business community with access to services for the tourists. We appeared to be at capacity and with the 16B project it will help us to accommodate the larger vessels.

Mr. Binkley stated it is up to the community to put controls on capacity and we believe Alaska is not at that point and could increase if desired like Hoonah & Sitka. A lot of return tourists first came on a cruise and now return as independent visitors.

Mr. Busch asked how much marketing does the Alaska Cruise market do in Asia?

Mr. Binkley stated it is done by Department of Commerce and a lot of it is handled by Alaska Tourism Association and they have a budget. The majority is North Americans that visit Alaska. Although some of the budget is used for advertising in China.

Dr. Logan asked how would CLIA like funds to be used to enhance Juneau if you don't approve of the items like the Whale Project?

Mr. Binkley answered CLIA believes there is too much head taxes collected and since they are restricted on how to be spent the industry we believe Juneau gets \$4.5 million

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that it does not need. We believe other areas need it like Seward for new docks. The last four private docks built were less than \$40 million combined and the 16B project was way too much. It could have been built privately then leased by CBJ and it would have saved a lot of money.

Dr. Logan asked we will always get head tax in Juneau so how do you want it spent?

Mr. Binkley answered spend it legally and after 16B is built you only need to maintain what you have but nothing more seems to be needed in Juneau.

Mr. Spickler stated it would be great to have better communication between both parties in the future and thanked the CLIA representatives for coming.

XI. Committee Administrative Matters

1. Next Finance Committee Meeting- Thursday, May 21st, 2015.

XII. Adjournment

The Finance Committee meeting adjourned at 5:58pm.