

CBJ Docks and Harbors Board
Harbor Fee Review Committee Meeting Minutes
For Wednesday, June 3rd, 2015

- I. Call To Order – Budd Simpson called the meeting to order at 12:01 p.m. in CBJ room 224.
- II. Roll Call – The following members were present: Tom Donek, Bob Janes, Scott Spickler, and Budd Simpson.

Absent – David Logan

Also present were the following: Carl Uchytel – Port Director, Doug Unruh – Statter Harbor Operations Maintenance Supervisor, and Mike Peterson – Board Member

- III. Approval of Agenda.

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

Motion Passed With No Objection

- IV. Approval of May 6th, 2015 Harbor Fee Review Committee minutes. Hearing no objection, the May 6th, 2015 Harbor Fee Review minutes were approved as presented.
- V. Public Participation on Non-Agenda Items – None
- VI. Unfinished Business

1. *Commercial Use Of Boat Launch*

05 CBJAC 20.070 – Fees for commercial use of boat launches

(a) Definition. The fees assessed to an owner for using one or more of the Douglas Harbor Boat Launches, the Harris Harbor Boat Launch, the North Douglas Boat Launch, the Statter Harbor Boat Launch, the Tee Harbor Boat Launch, the Amalga Harbor Boat Launch, and the Echo Cove Boat Launch for any type of commercial use.

(b) Annual fee. A commercial user of the launch ramps must pay an annual fee prior to using a launch ramp each calendar year as follows:

\$ per calendar year \$225.00

(c) Freight use fee. In addition to other fees set out in 05 CBJAC 20, a person using a launch ramp for freight use must pay the fees set out in this subsection. Freight use means the use of a launch ramp for any purpose other than launching and recovering a recreational vessel. A person may pay the personal use freight fee set out in this subsection if the freight use is limited to non-commercial use. All other persons must pay the commercial use fee. The Harbormaster shall assess freight use fees by duration of use per calendar day as follows:

Commercial Use Fee: ~~Up to ½ hour: \$30.00; Over ½ hour: \$30.00 + \$1.50 for each minute beyond ½ hour.~~

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\$60 for the first hour; and \$30 for each additional hour (Pending regulation change)

Personal Use Fee: Up to ¼ hour: no charge; Over ¼ hour: \$15.00 per half-hour of use beyond ¼ hour with \$15.00 minimum charge.

(d) Freight staging fee. A person staging freight shall pay a fee of \$25.00 per 24-hour period per 1,000 square feet of staging area space or portion thereof used, except when the staging operation is less than four hours in duration.

(e) Special fee for launch ramp tour activities. Persons using the launch ramps for tour activities are subject to additional fees established through the permit program established in 05 CBJAC 01.

(Amended 4-11-2005, eff. 4-19-2005; Amended 1-9-2006, eff. 1-17-2006; Amended 3-5-2007, eff. 3-13-2007; Amended 12-14-2009, eff. 12-22-2009; Amended 7-15-2013, eff. 7-23-2013)

Mr. Uchytel said this is the next subchapter in boat launch fees that has been in discussion at this Committee. There are about 15 to 20 commercial launch ramp permits sold annually. The freight use fee is struck out because this is under another regulation, and he recommends striking out the Personal use fee because it has never been used. The freight staging fee is the same. The special fee for launch ramp tour activities is used for companies using a launch ramp for tours like at North Douglas launch ramp. A company is required to pay a \$100.00 application fee, purchase a commercial launch ramp permit and follow the per passenger fees in the passenger for hire fees.

Committee Questions-

Mr. Spickler asked what the annual fee was for the North Douglas use?

Ms. Scovill said a company pays the \$100 application fee, purchases a commercial launch ramp permit, and then pays for how many passengers use that facility. Currently we follow the passenger for hire fees which has been \$1.10 per person. She asked the Committee if following the passenger for hire fees was what the Committee wanted to continue to charge which went up to \$1.25 this year?

Mr. Unruh asked the Committee if a company that rents kayaks was required to purchase a commercial launch ramp permit?

Ms. Scovill asked if the Company was required to purchase the commercial launch ramp for the renters to launch the kayak or was it the renters (user) responsibility to purchase a daily launch permit?

Mr. Simpson said most people renting kayaks are going to be non-locals and it would make more sense for the company that owns the kayaks to pay the launch ramp fees.

Mr. Unruh asked if they should also have to pay the per passenger fee?

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Ms. Scovill said the difference for this company is these are individuals renting a kayak and going out on their own. The operations in North Douglas are tour groups.

Mr. Simpson suggested to charge a \$90 annual launch ramp fee for each kayak rental.

Mr. Peterson commented to charge the commercial launch ramp fee, and to discuss the per kayak fee at another time.

Mr. Donek asked if the kayak company that rents kayaks launches all their kayaks at Auke Bay?

Mr. Unruh said no, they also go to Echo Cove and Amalga.

Mr. Janes said they take a lot of people to Mendenhall Lake and pay the forest service a \$5.00 fee per person. Mr. Janes suggested that every kayak have a permit. It may not be the \$90 permit, but every kayak that uses our ramp should be permitted and have a decal.

Mr. Simpson suggested to establish a fee for small non motorized vessels that occasionally use the launch ramps.

Mr. Janes said this fee should be on par with what the public pays to permit their kayaks. He said the \$225 for the commercial launch ramp permit is reasonable for commercial activity in our harbors.

Mr. Simpson said the permit should be paid on each kayak, and not on the passenger who has to pay separately each time.

Mr. Spickler asked how many kayaks the company at Auke Bay has to rent?

Mr. Unruh said approximately 3 dozen.

Mr. Donek said he just doesn't want to make this too complicated. He suggested to stay with paying the per passenger rather than trying to come up with another fee.

Mr. Simpson asked with each kayak rental, the company would pay the per passenger fee which is currently \$1.25?

Mr. Donek said he is just trying to keep this simple and not establish another fee.

Mr. Simpson said some commercial companies are paying more than others. He said he doesn't have any problem with charging the \$1.25 per passenger for all commercial companies.

Mr. Donek said he agrees that the company that rents kayaks should pay the commercial launch ramp permit fee and \$1.25 per passenger that uses our facilities.

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Mr. Janes said if they buy a permit for each kayak, it makes enforcement easier. Enforcement would know when they see a decal on the kayak that they have already paid. They can buy permits for all the kayaks that will be rented and used on Docks & Harbors facilities.

Mr. Spickler said he prefers the per kayak fee and to get away from the per passenger count. The passenger count has always been on the honor system and has never been checked.

Mr. Simpson said staff can still audit their passenger records. With the thousands of dollars paid throughout the summer at \$1.10 per passenger, there is no reason to think they are not reporting accurately. If the Committee decided to go with the \$90 per kayak, Docks & Harbors could be losing money.

Mr. Janes recommended to not give up the per passenger fee at North Douglas.

Mr. Donek said he is having trouble separating the kayak rental from the kayak tour operations. When you go on a tour out of North Douglas, you are still renting a kayak and the only difference is someone is with you pointing out things as you are paddling around. When you rent a kayak from the company in Auke Bay, you rent the kayak that is delivered to Amalga or elsewhere and the person dropping off the kayaks is telling you where to see interesting things. This is a fine line from one company having to pay the \$1.10 per passenger and the one that has to have a decal on all rental kayaks.

Mr. Unruh said there is a company that rents boats that buys a commercial launch permit, but they put the boat in the water.

Mr. Spickler said the difference he sees in the North Douglas tour company and the Auke Bay rental company is the guys at North Douglas don't use the ramp but the beach. The main expense to the City on this operation is port a potties and congestion. He recommends to have the passenger counts checked periodically. With the rental company at Auke Bay, he recommends to charge a permit fee per kayak. These two operations are different.

Mr. Simpson said the difference he sees at North Douglas is there is a whole cluster of people showing up at one time where at the kayak rental company one or two people show up at a time.

Mr. Donek asked if only one or two was showing up at a time in Auke Bay to rent a kayak or was there a bus load of people?

Mr. Janes said not a bus load of people. These are generally people coming out in private vehicles or rental cars who decided to just rent a kayak for \$60.00 versus going on a tour for \$120.00. This is a service for people that come here and can't afford the tour. He is not sure to charge the \$1.10 per passenger for the rental operations. For enforcement, the simplest thing would be to have a decal on a kayak.

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Mr. Simpson said the rental company should have a good estimate on how many kayaks will be used in our facility. The company would only have to purchase a decal for those kayaks and not all their rental kayaks.

Mr. Donek recommended to invite the kayak rental company owner to the meeting and have them tell the Committee how this would affect their company if this fee was added to their operations.

Mr. Janes asked what the public is charged now for kayak launching?

Mr. Simpson said when someone is using a launch ramp to launch a kayak, and they are tying up the ramp to the same extent as a trailered boat, they should have to pay the full price. If the kayaker does not want to be charged, they have the option going to a unregulated beach or using the free launch areas. Kayakers have options that trailered boats don't have.

Mr. Janes said the change for next year is the current ramp in Statter Harbor may become an unregulated launch area because that is not where the boats will be launching anymore. Maybe that should become a free launch ramp for kayakers including the rented kayaks.

Mr. Simpson asked if the kayak launch area is on the master plan for this launch ramp currently?

Mr. Uchytel said the Board has not approved a new master plan. The existing master plan still has the boat yard and the haul out facility at Statter Harbor. This area will be replaced with a haul out facility and kayak ramp.

Mr. Simpson said currently we do have free kayak launch areas at Amalga, Tee Harbor, and North Douglas.

Mr. Donek said if the boat yard is removed from Statter Harbor, the master plan needs to be redone.

Mr. Janes suggested to just charge the commercial fee to the kayak rental company this year, and this can be revisited when the new master plan is completed.

Mr. Simpson said he agreed to charge the commercial use fee to the kayak rental company this year.

Mr. Janes suggested to have the kayak rental company owner come to a meeting to discuss this further.

Mr. Donek wanted to make sure all companies were treated equally.

The Committee was in favor of striking out the personal use fee in this regulation.

Mr. Donek suggested to discuss the \$225.00 fee.

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Mr. Simpson said with incrementally increasing rates to meet increasing costs, he recommended a \$250.00 fee.

Mr. Donek asked when the last time this was raised?

Mr. Uchytel said 2005.

Mr. Spickler said based on this fee staying the same for the last 10 years, he recommended a \$325.00 fee.

Mr. Janes recommends to charge for every commercial trailer and not purchase one and get the rest for free. Rather than raising the price per trailer, require every trailer that is used commercially to have a permit on it. He suggested raising the rate to \$250.00 for each trailer.

Mr. Donek said he likes this being consistent with the recreational use which is currently being proposed to charge for every trailer.

Public Discussion - None

Committee Discussion/Action

Mr. Simpson said the Committee has a consensus on charging \$250 annually for each commercial trailers and striking the personal use fee.

MOTION By MR. DONEK : UNDER 05 CBJAC 20.070 (A) ADD ABLF, (B) ADJUST ANNUAL FEE TO \$250.00 APPLICABLE TO EACH COMMERCIAL TRAILER THAT USES THE LAUNCH RAMP, (C) THE FREIGHT USE SECTION STRIKE OUT THE PERSONAL USE INFORMATION, THE COMMERCIAL USE FEE IS CHANGED AS STATED, (D) THE FREIGHT STAGING FEE STAYS THE SAME, THE PERSONAL USE FEE IS STRIKEN, AND (E) THE SPECIAL FEE IS TO BE CONSISTENT WITH OTHER COMMERCIAL USE FEES AND ASK FOR UNANIMOUS CONSENT.

Motion passed with no objection.

Mr. Simpson said this will go to Operations/Planning and Finance next.

2. Governmental use of CBJ Boat Launch Facilities

Mr. Uchytel said Docks & Harbors issues permits to Coast Guard, Forest Service, Fish & Game and a handful of other users that have been given a permit free of charge as a government agency. The question is, "should these be free"?

Committee Questions –

Mr. Simpson asked how many are issued and if this is a problem?

Mr. Uchytel said about a dozen.

Mr. Unruh said he doesn't see this as a problem.

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Mr. Donek asked if the Liberty pays when they get fueled at the ABLF?

Mr. Uchytel said the money is paid from the fuel company for the throughput fee of \$.05 per gal.

Mr. Spickler asked if the Trooper boat pays?

Mr. Unruh said no. The only boat that has been charged is the NOAA boat.

Mr. Janes asked if the Troopers were charged for stalls?

Mr. Unruh said no because they tie up in the Coast Guard footprint.

Mr. Janes asked if the Coast Guard pays to tie up?

Mr. Unruh said yes under a lease agreement.

Mr. Janes asked if the lease fees for the liberty have been looked at recently?

Mr. Uchytel said yes and Docks & Harbors receives about \$1800 annually.

Ms. Scovill said the Coast Guard lease agreement is adjusted by CPI annually.

Public Discussion – none

Committee/Discussion –

Mr. Simpson said the Committee could make a motion to continue not charging government agencies, or no action to maintain the status quo.

MOTION By MR. JANES: TO CONTINUE THE EXISTING POLICY TO NOT CHARGE GOVERNMENT AGENCIES FOR USE OF LAUNCH RAMPS AND ASK FOR UNANIMOUS CONSENT.

Motion passed with no objection

Mr. Simpson said this should go to the full board next.

VII. New Business –

1. Small Boat Harbor Fees. (Partial List) –

- o *Special Annual Moorage fee for skiffs (05 CBJAC 20.020)*
 - *7/2007; 4/2005*
 - *An owner with an open-hulled vessel 21 feet or less in length, excluding engines, may apply to the harbormaster for moorage in the limited access areas of the small boat harbors.*
 - *\$580.00 from July 1, 2013 through June 30, 2014; and a fee equal to the previous year's fee adjusted by the Anchorage Consumer Price Index (CPI).*

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- *Assigned Moorage Credit (05 CBJAC 20.025)*
 - *7/2007*
 - *A fee credit applied to the account of a person with a moorage assignment that makes their private shorepower connection available for temporary moorage assignments.*
 - *The credit shall be equal to the daily shorepower access fee charged.*
- *Daily Moorage Fees (05 CBJAC 20.030)*
 - *4/2008; 7/2007; 4/2005*
 - *The fee charged on a daily basis to the owner of a vessel for berthing the vessel at the Douglas Boat Harbor, Harris Boat Harbor, Aurora Boat Basin, Norway Point Float, National Guard Float, Fisherman's Terminal, Statter Boat Harbor, and moorage appurtenant to any of these facilities.*

The Committee did not discuss this item.

VIII. Future Business –

1. Assigned Moorage Credit (05 CBJAC 20.025)

- *7/2007*
 - *A fee credit applied to the account of a person with a moorage assignment that makes their private shorepower connection available for temporary moorage assignments.*
 - *The credit shall be equal to the daily shorepower access fee charges.*

The Committee did not discuss this item.

IX. Adjournment –

The meeting adjourned at 1:11 pm