

2. Assembly Liaison

Mr. Holst said that although the Assembly decided to do away with assigning Assembly liaisons to boards and commissions, he will still continue to attend the Port and Harbors Commission meetings when he can.

3. City Staff - None

4. Chair - None

5. P&H Subcommittee Report

VII. UNFINISHED BUSINESS

1. Liveboards in the Harbor System

Mr. Majeski gave the following data: 43 people are officially listed as living in the harbor system; 81 are actually living in the harbors, majority of whom are in North Thomsen and ANB Harbors. He suggested spreading out the liveboards to other harbors with Crescent Harbor as an option. He explained that those who are "officially listed" are those who are hooked up to the City's electrical system. Liveboard fees are simple residential user's fees for garbage, water and sewer, the proceeds of which do not go to the Harbor Fund.

Ms. Elliot noted that liveboards increase in summer time. She suggested reviewing the definition of "liveboard" and discussing the issue further.

No action was made on this agenda item.

2. Waitlist Administrative Fee/Transfer Fee/Action on Refusal of a Slip Assignment

Ms. Elliot shed light on the practice carried on by individuals on the waitlist (about 1/3 in the list) who would refuse to get a permanent stall when they get to the top of the list and instead opt to go back to the bottom of the list. She pointed out that by doing so, these individuals would be paying a lesser moorage rate. But she didn't believe implementing an annual waitlist fee would help the Harbor Department.

As an alternative, she proposed amending the Code to provide that in the event an individual in the waitlist refuses a stall, he/she forfeits the stall and the deposit. That individual will have to reapply if he/she wants to go back on the waitlist. Ms. Elliot pointed out that it will clean up the list and keep the list moving.

On Mr. Creamer's about how they manage the list, Ms. Elliot said the Harbor Office Staff spend a fourth of their time managing the waitlist, excluding the transfer list. The process is computerized only up to a certain point.

Mr. McIntyre reiterated his suggestion to eliminate the application of the nonrefundable deposit of the first quarter's mooring fee when a stall is assigned.

MOTION: **M/S Creamer/Woods** moved to amend Title 13 of the Code to provide that in the event an individual in the waitlist refuses a stall, he/she is taken off the wait list and forfeits the deposit.

ACTION: Motion **PASSED 4-0** on a voice vote.

MOTION: **M/S McIntyre/Creamer** moved to amend Title 13 of the Code to change the nonrefundable deposit to nonrefundable administrative fee which shall be equivalent to the first quarter's moorage fee and shall not be applied to first quarter's moorage fee.

ACTION: Motion **PASSED 4-0** on a voice vote.

Transfer Fee

Ms. Elliot explained that the transfer list applies only to those assigned a permanent stall. She said that stall owners, for one reason or another, would keep getting on the transfer list to be moved to another stall. She said it is time consuming and would recommend to impose an administrative fee. She gave the following transfer list data:

North Thomsen Harbor:	15
Old Thomsen Harbor:	45
Sealing Cove:	25
Crescent Harbor:	15 – 20
ANB Harbor:	4 – 5

Mr. Majeski stressed that the administrative fee should a fee after the first transfer. The first transfer will be free.

MOTION: **M/S Creamer/Woods** moved to charge a nonrefundable administrative fee of \$25 to get on the transfer list.

DISCUSSION: Ms. Elliot said that those in the current list will be grandfathered in. They will start with a new list beginning January 1st, 2007.

ACTION: Motion **PASSED 4-0** on a voice vote.

3. Anchoring Ordinance Update

Mr. Majeski presented a draft ordinance from the City Ordinance which will add a new chapter, Chapter 9, to Title 13 of the Sitka General Code. It will require any operator or owner of a vessel or waterborne structure that is anchored within the water area in the jurisdictional limits of the harbormaster to apply for an anchoring permit from the harbormaster within 24 hours after anchoring. The anchoring permit shall be effective for no more than seven consecutive days unless an extended anchoring period is approved by the harbormaster. He added that the enforcement language of the ordinance provides that vessels which do not meet seaworthy requirements can be impounded and sold.

MOTION: **M/S Creamer/McIntyre** moved to recommend to the Assembly approval of the draft ordinance on anchoring.

ACTION: Motion **PASSED 4-0** on a voice vote.

4. Seafood Processing Grant

Mr. Holst explained the rationale of the special revenue fund for seafood processing economic development grants, saying that \$1.2 million will be fenced off from the \$3.0 million economic development fund which shall be disbursed as grants to seafood processors based on their ability to be able to increase raw fish taxes. The fund will be replenished with one-half of the raw fish tax over \$600,000. The first \$600,000 of the raw fish tax received each year will remain with the Harbor Fund. Mr. Holst stressed that Stikine Holdings withdrew their grant application.

The Chair expressed doubt that a maximum of \$350,000 grant can increase the raw fish tax collection. He also said that there is no guarantee that the Assembly will not increase the amount to be transferred to the General Fund from the raw fish tax. He added that price of fish fluctuates wildly and it is not always that the raw fish tax collection will be as high as the current levels. He stressed that it is difficult to bring the money in to the Harbor Fund that they don't want it to go out.

Mr. Creamer pointed out that the Commission wages a hard fight to get the Assembly to see the needs of the harbor. In spite of the fact that the proposal will be taking away part of the raw fish tax, he thought that the ordinance is still a good idea to go along with.

Mr. Wolff indicated that the companion ordinance, Ordinance 2006-42 requires that the grant funds can only be used as a 50-50 match for the grantee's proposal. He also clarified that Alaska State Statute 43.75 defines raw fish tax as tax levied on seafood processors, not on commercial fishermen. He noted that his office has heard from interested grant applicants.

Mr. Wilbur of the Seafood Producers Cooperative (SPC) told the Commission that SPC is a cooperative owned by fishermen. Any grant coming their way would help them improve their facilities. They are currently upgrading their freezing capacity and they would like to take advantage of the grant.

Mr. Pasternak spoke about the raw fish tax as money that would have been paid to the fishermen.

Mr. Murray said that he would rather see the money go to the harbors so they don't have to deal with the moorage rates.

MOTION: M/S Creamer moved to express support the concept of Ordinance 2006-43.

ACTION: Motion **FAILED** for lack of second.

Mr. McIntyre said that he needs more time to study the ordinance, adding that there might be another side of the story.

Mr. Woods likewise explained that to support the ordinance is a big commitment. He didn't want to rush and make a decision.

By consensus, the members decided to hold a special work session on Thursday, Nov. 16th, 7:00 pm.

VIII. NEW BUSINESS

1. Liveboards in Crescent Harbor

Mr. Creamer said that he asked City Staff about the legislative history and found out that there is no existing covenant with any entity not allowing liveboards in Crescent Harbor. He recalled that the principal concern was the fact that Crescent Harbor did not flush very well back in the late 1960s and early 1970s. He noted that since 1990, the Coast Guard has required a holding tank and that Crescent Harbor now has a pump out station.

Furthermore, Mr. Creamer pointed out that every winter and spring, there are reported incidents of boat break-ins. He said that expanding liveboards to Crescent Harbor will improve security in the harbor and increase vigilance on boat fires and other boat safety issues. He stressed that the purpose of not allowing liveboards in Crescent Harbor do not exist anymore.

Among the parameters he suggested are:

- Mirroring the ordinance for Sealing Cove which only allows one liveboard per float;

- Upon notification, Harbor Staff can board the vessel and do an inspection.

Mr. Majeski suggested that they could put certain parameters in the ordinance for liveaboards. He identified floats 1 – 5 as capable of handling liveboard boats. The debate will focus more on how many liveaboards should be allowed per float.

Mr. Stein put forward the idea of putting in a sewer system for Crescent Harbor with the rebuilding of the pocket parking lots in the future. He also asked the Commission to consider the number of people per boat. He will be talking to the Sheldon Jackson College President and will bring up the proposal.

MOTION: **M/S Creamer/Woods** moved to allow liveaboards in floats 1- 5 of Crescent Harbor with a maximum of two liveboard vessels per float and provided that liveaboards shall meet the criteria to be established. This motion is contingent upon the feedback from Sheldon Jackson through Mr. Stein.

DISCUSSION: Mr. McIntyre explained that he sought a vote on this agenda because he thought this recommendation is worthwhile

ACTION: Motion **PASSED 4-0** on a voice vote.

2. *Request by the Parks and Rec Manager to use the O’Connell Bridge Tender Facility as a Temporary Skate Park*

Mr. Majeski told the Commission that the Parks and Rec Committee held a meeting to discuss the issue but was unable to pass a motion due to lack of a second. As such, this agenda item is moot.

3. *Takeover of State Dock at Baranof Warm Springs*

Mr. Majeski explained that the State is prepared to offer \$1.3 million to the City and Borough of Sitka contingent on acceptance of ownership of the existing facility.

Mr. Stein found value in accepting the States offer, saying that they can put together an operating plan and possibly get leases from cruise ships that stop at Baranof Warm Springs.

The Chair said that it has potential but raised the following questions:

- (a) Who will collect the money?
- (b) Who will administer the harbor?
- (c) Who will maintain the harbor?

The members agreed that the idea is worth pursuing and they should look into it further.

IX. GENERAL DISCUSSION

On Mr. Creamer’s follow up on the Commission’s recommendation to rename North Thomsen Harbor as Sen. Richard I. Eliason Sr. Municipal Harbor, Mr. Majeski said that it will be on the Assembly’s agenda in their Nov. 28th meeting.

On having press releases on the newspaper, Mr. Majeski said he contacted Mr. Poulson and was told that a reporter will be covering the meetings. He also indicated that he will be on Raven Radio and KIFW.

On the launch ramp fees mirroring the State Parks fees, Mr. Majeski said that an ordinance change will be required and it will be before the Assembly in December. They will not be changing the rates until end December.

X. CLOSING

A. AGENDA

Under unfinished business:

1. Liveaboard Fee
2. Take over of State Dock at Baranof Warm Springs

B. NEXT MEETING DATE HARRIGAN CENTENNIAL BUILDING – December 14th, 2006

C. ADJOURNMENT

The meeting adjourned at 9:45 pm.

Prepared by: **MARIA FINKENBINDER**
Contract Secretary