

HARBOR COMMISSION  
MINUTES  
October 25, 2006

I. Roll Call

Jim Bartlett	Present
Yvonne DeWindt	Present
Al Dika	Present
John Flemming	Present
Tom Graham, Jr.	Present
Bill McCullough	Present
Jim Offield	Present
Fred Rachwitz	Present
Jane Ramer	Present
Dick Schiller	Present

Also present: Harbormaster Bob Bokram and City Manager Fred Geuder.

Chairman Jim Bartlett called the meeting to order at 4:00 p.m.

II. Minutes

Motion by Dika, seconded by Offield, to approve the minutes of August 9, 2006, as presented.  
Motion carried.

III. Public Comment and Correspondence

None.

IV. New and Old Business

A. Capital Improvements Plan and 2007 Budget Recommendations

The City Manager reviewed the cash position of the Waterfront Fund. He noted that even with almost \$350,000 of major spending on capital projects over the last 2+ years, the projected cash balance is still well over the \$400,000 floor that the Harbor Commission has suggested having available for emergency repairs, should ice or wind damage occur. He also anticipated a cash balance increase for 2007 depending on the amount of projects that are approved.

Bartlett reviewed the plan from Flotation Docking Systems to replace the launch ramp dock at Ford Park. The proposed dock would be a floating dock with a stabilizing baffle placed on the end of the dock. The estimated cost is about \$15,000. Bartlett noted that this dock has seen its better days and has been talked about for some time.

In response to a question, Harbormaster Bob Bokram noted that the replacement dock would be about the same length as the current dock.

In response to a question, Bartlett said that Flotation estimated the life span for a dock to be at least 20 years. It was also noted that the portions of the dock under water have a longer life span than the exposed portions of the dock.

Motion by Schiller, seconded by Dika, to recommend that City Council approve a \$15,000 expenditure for replacement of the launch ramp dock in the 2007 Waterfront Fund budget.

Bartlett suggested that the Commission talk about upgrade of the finger piers on the West Dock. The 60' fingers could probably have skirting added and the top decks could be replaced with Trex. The 2-45' and 1-30' fingers would need to be replaced, but the question is how to go about it. With the current low water levels it is difficult to get into the boats on the shorter finger piers, but particularly the 30' pier.

McCullough suggested that the City explore what options might be available for raising and lowering the shorter finger piers.

Bartlett suggested that the Ad Hoc Dock Committee review the options in 2007, with an eye toward doing something in 2008.

#### B. 2006 Waterfront Rates

Bartlett reviewed the rates charged both locally and in the area for both public and private facilities in 2006. Generally the City is much higher than other public marinas, and lower than private facilities.

Bartlett also noted that the local marinas are looking at increases of 5-10% in 2007, although it may be a little lower than in the past. Harbor West Yacht Club in Traverse City was considering a 2-3% increase, and Bay Harbor Lake Marina (Petoskey) seemed to be negotiable, but they have the highest rates in the area.

Fred Rachwitz asked whether the seeming low rate for a 30' slip at Walstrom's was correct. The response was that Walstrom's did not have many 30' slips at all, and the rate may apply to some even shorter slips along the west side of the basin property.

Tom Graham asked what the general philosophy had been for rates.

Bartlett noted that the general philosophy is to be market driven, with rates less than the local private marinas, but still keeping up with their rates generally. He also noted that the products are different, with the private facilities offering better parking, privacy (no gawkers) and security, with the advantage to the City in that seasonal slip holders have historically been guaranteed their spots. Bartlett also noted the 200+ names on the waiting list, and noted that the City as an owner does make a return on their investment in the ownership of the waterfront land.

In response to a question, Bokram noted that the list currently goes back to 1989. Rachwitz noted that he was #21 on the list and got on in 1991.

Bartlett said he felt that as a minimum, the City should always raise rates by inflation, which was roughly 3.5% for this year.

Schiller noted that transient docking revenue seems to be flat. The City Manager said that the City seemed to do well for 2006 considering the economy.

Bartlett also noted that Charlevoix's new dock may be open by 2007, and may add more transient slips in the area.

The Commission also discussed how many of the transient boaters were really local people with trailerable boats. Bokram guessed that the number may be 20-25%. The lack of seasonal slips in the area means that other local boaters find other ways to stay in the water, and transient docking is one means.

Bartlett said he heard that Walstrom's was getting its approval from the State, but it was unclear how that additional docking might affect the City.

Motion by Graham, seconded by Flemming, to recommend to City Council that seasonal dock rates be increased by 6%. Motion carried, 9-1, Rachwitz dissenting.

Bartlett then suggested that the Commission look at the mooring rates.

In response to a question, Bokram said that the individual waiting lists for each size of mooring vary from roughly 25-60 names. Overall turnover is about 10% annually for the 66 moorings.

In response to a question, Bartlett said that there are not really comparable comparisons for the mooring field. Elmwood Township in the Traverse City area does have moorings, which for the 300 Series size are \$300-500 less than the City's, but their weight capacity is less. Chicago has moorings on a much larger scale, but also has a water taxi service available to take boaters to their moored boats.

Exit Schiller.

It was noted that the City has costs to take care of the mooring area, but it still brings in more cash than it costs and is not subsidized by any means.

[City Manager Note: In the 2006 budget, the Mooring Area had direct expenses of about \$21,000 against revenues of \$55,000. Other landside functions—parks—support access to the moorings though.]

Motion by Flemming, seconded by Graham, to recommend to City Council that seasonal mooring rates be increased by 5%. Motion carried, 8-1, Dika dissenting.

Bartlett also suggested that the Commission review the other rates for the Waterfront, which have not changed in several years.

It was noted that moorings are rented out on a daily basis when empty, with rates of \$9/\$15/\$20, by size (100/200/300 series), which includes a daily dinghy permit.

Rachwitz questioned whether the non-resident launch ramp was high enough at \$50. Bokram noted that when people do come in to consider whether to pay on a daily basis they look at how many times they will use the ramp, so raising the rate may result in less seasonal passes.

It was also noted that we do not have many comparisons for this area.

The consensus of the Commission was to not increase these rates for 2007, but to study them for 2008.

#### C. Harbormaster Annual Report Update

The City Manager noted that most of Bob's update had been reviewed already.

It was noted that sailboat days were up in 2006, while the number of powerboat days were down. The overall boat days for 2006 were up a little from 2005.

Enter Schiller.

#### D. Other Business

Dika suggested that the City consider implementation of an annual fee to stay on the dockage and mooring waiting lists, such as Boyne City does (\$25 per year). The idea would be to keep information up to date and to keep the lists "real" in terms of who is interested..

Bokram commented that at his Harbormasters meeting, five or six of the other Harbormasters from public marinas said that they did something similar, although the rate was usually \$10.

The City Manager noted that it should be a fee, not an additional deposit, so that bookkeeping does not become more complicated.

It was also noted that the fee to get on the waiting lists was \$100 for the dock list and \$35 for the mooring lists. This fee is refundable if requested prior to being offered a slip or mooring, or it is applied to the first year's rental. If you turn down a slip or mooring, the deposit is forfeited.

In response to a question, Bokram noted that people at the top of the list usually accept the slip when it is offered.

Motion by Dika, seconded by Offield, to recommend that City Council implement an annual fee for staying on the waiting lists of \$10.00 per year. Motion carried.

Yvonne DeWindt suggested that free wi-fi be made available at the marina as a potential amenity.

The City Manager noted that several local businesses (Irish, Walstrom, and Woolybugger) have made available wi-fi for a fee, so one question would be whether the City should compete with these taxpaying businesses. It is not know whether the businesses receive any percentage of the fees.

It was suggested that the City Manager begin looking into this service.

V. Meeting Schedule

The next meeting of the Harbor Commission is to be determined.

VI. Adjournment

There being no further business, the meeting was adjourned at 5:20 p.m.

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Frederick W. Geuder, City Manager