

HARBOR COMMISSION  
MINUTES  
November 13, 2007

I. Roll Call

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

Also present: Harbormaster Mike Johnson and City Manager Fred Geuder.

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

Bartlett welcomed Keith McGlaughlin to his first meeting.

II. Minutes

Motion by Offield, seconded by Schiller, to approve the minutes of October 17, 2007, as presented. Motion carried.

III. Public Comment and Correspondence

None.

IV. New and Old Business

A. Recommendation of 2008 Capital Projects

Bartlett asked the City Manager to review the draft of the 2008 budget.

The City Manager noted that seasonal dockage for 2007 was down slightly, because three seasonal slips had not be filled due to late cancellations, so the \$156,000 in proposed revenues was without any increase shown. He did note that transient dock fees were down from 2006 actual and the 2007 budget, so the number of \$171,000 for 2008 is being left the same—he did not anticipate an uptrend and state rates are not going up. The figure for moorage revenue for 2008, \$59,400 is also without any increase shown.

The City Manager noted that he is proposing two major changes for the 2008 budget. Traditionally the City has transferred around \$30,000 to the General Fund for the Marine Patrol,

and it has been accounted for in the General Fund. For 2008, it is being left in the Waterfront Fund and no transfer will be made.

The City Manager is also proposing that the expenses of the Zorn Park Beach, about \$40,000 annually be paid for in the Waterfront Fund. (It was done this way for 2-3 years in the early 1990's). The City Manager explained that it was recommendation that ALL waterfront expenses be funded by Waterfront fees, and he felt this was an idea that should also apply to the beach. He also noted that with 2008 being the last year to re-pay the bond issue for the floating dock, funds will be available in the future for this activity.

The City Manager noted that this is basically a cash budget, but \$71,000 in Depreciation (a non-cash expenditure) is shown in the budget. This figure does not reduce cash, but he also noted that the City has reinvested back into the maintenance of facilities on the Waterfront.

The City Manager also noted that Parks and Grounds Maintenance appeared to be higher in 2007 for several reasons that were probably one-time expenditures. (Following the meeting, the City Manager was made aware that expenses for a non-waterfront park may have been charged to that account.)

Without any projects being included, the budget would use roughly \$27,000 in cash. But the City Manager noted that there is roughly \$600,000 in cash available, which is \$200,000 greater than the minimum amount the Commission wants to retain for emergency repairs to docks.

McGlaughlin noted that the administrative transfer was down about \$30,000. The City Manager noted that this was for the elimination of the transfer for the Marine Patrol.

Bartlett asked for any comments on the proposal and particularly the idea of the beach expenses being in the Waterfront Fund.

Offield commented that he agreed with the long-term reasoning for including beach expenses in the Waterfront Fund.

Bartlett noted that by including this expense in the Waterfront, it is a further return of assets to the citizens of Harbor Springs for their waterfront property.

DeWindt asked what the effect of the 3 seasonal dock contracts was. The City Manager noted that this was a one year offset of about \$10-12,000 in revenue. The City Manager noted that he had hoped that transient fees would offset the difference, but acknowledged that it did not, and he took responsibility for this one year hit.

The Harbormaster asked if the number of seasonal slips was increasing, and the City Manager said that the number would still be 31.

McGlaughlin also noted that the 2007 budget for supplies at the docks had been \$10,000, but only \$4,000 had been spent, and the 2008 budget number was \$5,000. The City Manager said he did not remember a specific need that had been anticipated but not filled, so the budget was returning to a more realistic number.

Bartlett then noted a number of capital projects that had been suggested:

1. The holding dock adjacent to the launch ramp was a trestle dock, and it was thought that a floating dock like the one installed at the launch ramp itself would be more user friendly.
2. The boat motor for the Police Boat is a 2-stroke engine, and given that much of the time is spent at idle speeds, it might be better to install a 4-stroke engine. There might be some residual value to the sale of the old motor.
3. The kayak dock at Ford Park might also need to be reviewed.

Bartlett also noted that the Commission received a letter in October suggesting a dinghy dock at Zoll Street, and while the concept has merit, he wondered whether Ford Park was a better option.

Enter Graham.

Bartlett suggested that one solution might be to replace the holding dock at Ford Park, with the floater, but extend it an additional 20' out so that dinghies could be accommodated near shore.

It was noted that additional dinghy storage would relieve some of the congestion near the Harbormaster Building, and be a closer location to the east end of the mooring field for people with motorized dinghies (which are not permitted at Zoll Street).

Fred Rachwitz suggested that the Commission think about whether the concept of Zoll Street had changed to more of a beach, where the original intent had been the windsurfing and dinghy storage, and then later kayaks were stored there. He also asked about the concept of the dinghy storage dock at the Harbormaster Building.

Bartlett noted that the high water levels had sparked the talk about a dinghy dock at that location, but the low levels made use of the beach areas by the Courtesy Dock feasible. He also noted that Zoll Street was much more open to winds and would be less desirable for any dock.

McGlaughlin noted that he liked the Ford Park location for dinghy use anyhow, because it was closer to downtown.

Following some discussion, it was suggested that a budget of \$30,000 for the Ford Park dock be requested and a budget of \$20,000 for the Police Boat motor be requested. This was the consensus of the Commission.

DeWindt asked about the idea of a Washer/Dryer at the Harbormaster Building. After some discussion, it was suggested that the idea be included on the long-term list, and could be considered if the boater restrooms were renovated.

The Commission also briefly discussed the Ford Park restrooms, and asked what would happen when the Historical Society vacated the space. It was suggested that when that occurs, the City could possibly seek another non-profit tenant for the space. The City Manager noted that the "rent" was cleaning the restrooms in the summer.

B. Recommendation of 2008 Seasonal Rates

Bartlett reviewed the packet that had been made available to the Commission, including proposed fees showing various increases, the seasonal histories, the transient rate schedule for 2008, and comparisons to area seasonal dock rates (including a comparison to the Walstrom/Irish rates as a percentage).

The City Manager reported on the discussion of the policy for the rates that had occurred at the last meeting. While no specific percentage goal is listed, it is a consideration of the rates.

Jim Grogan, a member of the City Council, said he was encouraged by the discussion that the Council members had with the Harbor Commission and felt that communication had been improved. Grogan also noted that the Council approved the two recent Harbor Commission recommendations on the Tiara Rondezvous and the LTYC Regatta.

Bartlett noted that inflation was roughly 2.5%, and he felt the increase should be a little higher.

Graham said he felt a 5% increase would be fair, saying that inflation may be rising.

Bartlett reported an e-mail he had received from Dika, who suggested that we leave the rates as is or perhaps go up with inflation, provided that we can continue to do what we have been doing and fund the waterfront activities.

McGlaughlin asked the Harbormaster if he had any feedback on the previous increase. Johnson said he did not really get much feedback, and 28 of 31 renewed their contracts. He noted that demand is still there.

McGlaughlin also asked about the transient stays. Johnson said that there were fewer boats staying longer days, but the total transient revenues did not seem to be increasing, at least at this time.

Offield said he thought that a 5% figure would stay a little ahead of inflation, and keep us up on revenues that were being lost in the transient area.

Motion by Graham, seconded by Schiller, to recommend a 5% increase in the seasonal dockage and moorage rates. Motion carried, 6-0, Rachwitz abstaining.

Bartlett also noted that the City Manager had listed the other Waterfront rates, and basically only recommended a small increase in the daily transient mooring rate.

After a short review, a motion was made by Offield, seconded by Schiller, to recommend leaving all other waterfront rates the same. Motion carried.

Bartlett noted that is difficult to assess some of these rates which are unique to Harbor Springs, but suggested that Commissioners watch for other launch ramp fees as they travel about.

C. Other Business

The City Manager noted that it had been suggested that the Port Huron and Chicago Mackinaw races did not have to pay the Mackinaw Island Marina for dockage. Bartlett noted that it was his understanding that both races paid a flat fee to the Marina for dockage. Another Commissioner noted that it was his understanding that the races also paid for additional State Police coverage and trash pick-up.

V. Meeting Schedule

The City Manager noted that this was the 6<sup>th</sup> meeting of the year for the Harbor Commission

The next meeting of the Harbor Commission will be scheduled as needed.

VI. Adjournment

There being no further business, the meeting was adjourned at 5:30 p.m.

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Frederick W. Geuder, City Manager

**2008 Proposed  
SEASONAL DOCK AND MOORAGE FEES**

Bold Italics=Harbor Commission Recommendation

	<u>2007</u>	<u>2.5%</u>	<u>3.5%</u>	<u>5.0%</u>	<u>6.0%</u>	<u>7.5%</u>
<u>Dock Slips</u>						
30'	3739	3832	3870	<b>3926</b>	3963	4019
35'	4672	4789	4836	<b>4906</b>	4952	5022
40'	5216	5346	5399	<b>5477</b>	5529	5608
45'	6052	6203	6264	<b>6355</b>	6415	6506
60'	8560	8774	8860	<b>8988</b>	9074	9202

Moorings

100	Resident	398	408	412	<b>418</b>	422	428
100	Non-Resident	566	580	586	<b>594</b>	600	608
200	Resident	624	640	646	<b>655</b>	661	671
200	Non-Resident	919	942	951	<b>965</b>	974	988
300	Resident	1000	1025	1035	<b>1050</b>	1060	1075
300	Non-Resident	1596	1636	1652	<b>1676</b>	1692	1716

Other Current Rates

Proposed

Launch Ramp Permits—Individual

Daily	\$ 5.00	<b>same</b>
Seasonal—Resident	\$ 25.00	<b>same</b>
Seasonal—Non-Res.	\$ 50.00	<b>same</b>
Commercial—City Bus.	\$ 50.00	<b>same</b>
Commercial—Non-City Bus.	\$200.00	<b>same</b>
Sailing/Fishing Charter	\$150.00	<b>same</b>

Daily Transient Mooring

	<u>Current</u>	<u>Prop.</u>
100	9	<b>9</b>
200	15	<b>15</b>
300	20	<b>20</b>

Dinghy Storage Permits

Seasonal Mooring Holders:	\$50.00	<b>same</b>
Daily, if available:	\$5.00	<b>same</b>

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Kayak/Canoe Storage Permits

Seasonal Only	\$100.00	<b>same</b>
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