

**PIERS, HARBORS & LAKEFRONT COMMITTEE MEETING MINUTES
THURSDAY, OCTOBER 28, 2010 – 5:00PM
City Hall, Conference Room 2A**

Chairman Marsala called the meeting to order at 5:00pm.

Roll Call. Present: Aldermen Kehoe, Krause, Mott and Marsala. Also in attendance: Mayor Connors, Harbormaster Chuck Gray, Kent Martzke from Lake Geneva Boat Lines, and Terry Johnson from Marina Bay.

Approval of Minutes from September 30, 2010 Committee Meeting

Krause/Kehoe motion to approve Minutes from September 30, 2010 Committee Meeting. Unanimously carried.

City Administrator Jordan joined the meeting.

Comments from the Public None.

Updates from Harbormaster:

Vendor Revenues: \$8,037.00

Launch Revenues: So far, up 8% over last year's total.

Harbormaster Gray also referenced the buoy and slip rates information from other towns for consideration in setting fees for the City of Lake Geneva. He noted that Williams Bay had a 20% increase in 2009 and was not expected to have another increase for another four to five years. The Village of Fontana rate had been set at \$2,606.64 plus sales tax for resident/property owners and \$5,213.28 plus tax for non-residents; however the cost of the shore station was included in the slip rate. He added that Fontana also charged a \$75.00 deposit for its waiting list, compared to the \$5.00 deposit charged by Lake Geneva. He also stated that the Village charges residents \$3.00 per season beach pass for the first six passes and \$5.00 per pass for additional passes up to a maximum of 12.

Discussion/Recommendation on setting rates on West End Slips & Buoys and Lagoon

Chairman Marsala noted that there had been no increases last year and the budget had been figured including a 3 percent increase for this year. Alderman Kehoe recommended a 5 percent increase for 2011. Mayor Connors asked for a comparison of the size of the lagoon slips to the West End slips. It was noted that the reconfigured slips for the lagoon would be wider than current; however, they would still be roughly one foot narrower than the West End slips. Mayor Connors also asked for a breakdown of the numbers of residents versus non-resident property owners on the slips. Harbormaster Gray noted that the City held the line on slips available to non-resident property owners at fifteen percent in accordance with local ordinance. Mayor Connors suggested that slips should be priced at a premium, with buoys and dinghies being kept as a more affordable option. Alderman Mott expressed a preference for bringing the rates into closer alignment with those in other communities around the lake.

Kehoe/Krause motion to consider rates for slips and buoys separately, approving a recommendation to increase buoy rates by 3 percent across the board. Unanimously carried.

The Committee then discussed rates for slips in the West End pier and lagoon. Alderman Krause stated that these rates basically amounted to user fees and that the taxpayers should

not be expected to subsidize them. He further suggested that the Committee should consider raising those rates by 20 percent, which would generate additional revenue and bring Lake Geneva rates closer to the rates of other communities, as Alderman Mott had earlier suggested. Harbormaster Gray noted that the City would be able to justify such an increase on the lagoon slips because the reconfigured slips would be wider after the Wrigley Bridge project was completed. It was discussed that reconfiguration of the lagoon slips would also result in a total loss of three slips, with the Committee members recommending automatically raising lagoon slip rates by \$30.00 to offset the loss of those slips. Any increase would then be applied to those recalculated rates. Administrator Jordan suggested that lagoon rates should be raised to a minimum of \$500.00, as they would still be the least expensive rates on the lake. The general consensus was to raise the West End pier and lagoon slips by 20 percent, with buoy and dinghy rates to be increased by 3 percent. The final rates would be rounded accordingly.

Krause/Mott motion to recommend approval of the following rate schedule:

<u>West End Pier 24' Slips</u>	
Resident Rate:	\$1,500.00
Non-Resident Property Owner Rate:	\$2,250.00
Non-Resident Rate:	\$3,000.00
<u>West End Pier 26' Slips</u>	
Resident Rate:	\$1,750.00
Non-Resident Property Owner Rate:	\$2,550.00
Non-Resident Rate:	\$3,250.00
<u>Lagoon Slips</u>	
Resident Rate:	\$ 500.00
Non-Resident Property Owner Rate:	\$1,000.00
Non-Resident Rate:	\$1,500.00
<u>Buoys</u>	
Resident Rate:	\$ 645.00
Non-Resident Property Owner Rate:	\$1,075.00
Non-Resident Rate:	\$1,500.00
<u>Dinghies</u>	
Resident Rate:	\$ 110.00
Non-Resident Property Owner Rate:	\$ 160.00
Non-Resident Rate:	\$ 220.00

Unanimously carried. Harbormaster Gray was directed to provide projected revenue figures for the approved increases to the Council.

Discussion/Recommendation on setting fees for Kayak & Canoe Racks and Dinghy Pad
 Chairman Marsala noted that kayak rates had been set at \$175.00 last year, which included the cost of the pad, rack, and any launch fees. He recommended raising that rate to \$200.00 for the coming year.

Krause/Mott motion to recommend approval of an increase in fee to \$200.00. Motion carried by vote of 3 to 1, with Alderman Kehoe opposed.

Discussion/Recommendation on leases on Slips & Buoys for Lake Geneva Boat Lines, Marina Bay, and Gage Marine

Chairman Marsala noted that the rates for Gage Marine had already been set; therefore, discussion focused on buoy rates for Lake Geneva Boat Lines and Marina Bay. Chairman Marsala stated that he had reviewed the leases with the City Attorney and the legal opinion was that the terms of the leases were secured for 2011. However, the Committee would be able to adjust the rates if it so desired. The lessees were requesting that they be charged at the non-resident property owner rate and that the rate be secured for the remaining two years of the three-year contract. Chairman Marsala noted that the lessees own and maintain the buoys and are required to carry insurance on them. Mayor Connors suggested that the Committee approve modifying the rate to the non-resident property owner level without specifying a dollar amount. This would provide the City with some flexibility in adjusting the rates without the need for future amendments to the lease agreements.

Krause/Kehoe motion to modify buoy rates for Lake Geneva Boat Lines and Marina Bay to the non-resident property owner rate for the term of the agreement, including being applied retroactively to the start of 2010. Unanimously carried.

Discussion/Recommendation on dock leases for Lake Geneva Boat Lines and Gage Marine

Chairman Marsala reported that the numbers for Gage Marine were fixed until 2016. He recommended striking paragraph (g) of the lease with Lake Geneva Boat Lines regarding the limited right to operate wave runners. The current limit as stated in the agreement was three and the lessee had asked that the limit be removed, or at least increased to allow the company to be more competitive with other businesses. Chairman Marsala noted that the previous restrictions had been put into place due to previous insurance and safety issues that had since been addressed. He also pointed out that the firm would still be limited in the number of wave runners it could operate by the amount of space available.

Krause/Kehoe motion to recommend removing paragraph (g) from the lease agreement with Lake Geneva Boat Lines. Unanimously carried.

Items for next meeting agenda

Chairman Marsala stated that the items for the next Committee meeting would include a discussion on the specifications for dinghy pad use and waiting list applications and fees.

Krause/Kehoe motion to adjourn at 6:29pm. Unanimously carried.

Minutes transcribed from audiotape.

/s/ Jeremy A. Reale, City Clerk