

**DEEPHAVEN BOAT COMMITTEE
THURSDAY, MAY 14, 2015
MINUTES**

Call Meeting to Order

Chairman Tom Drummond called the meeting to order at 7:02 p.m.

Members Present

Tom Drummond, David Matteson, Jim Friedlander, Brian Larson, Jim van Bergen and City Administrator Dana Young

Members Absent

Doug Ruble

April 8, 2015 Boat Committee Minutes

The Committee approved the April 8, 2015 Boat Committee on a motion by Brian Larson, seconded by David Matteson. Motion carried 5-0.

Matters from the Floor

There were no Matters from the Floor this evening.

Management Report

Administrator Young stated that there is nothing new to report other than the May 31 Deadline to have boats at their assigned spaces is rapidly approaching.

Resignation of Doug Ruble

Motion by Jim Friedlander to approve the resignation of Doug Ruble from the Boat Committee effective May 14, 2015. Seconded by David Matteson. Motion carried 5-0.

New Members

Discussion was held on the need to find two new members of the Boat Committee. Tom Drummond asked if any of those in attendance this evening would have an interest in serving on the Boat Committee.

Discuss New Meeting Day

Motion by David Matteson to designate the second Thursday of the month as the new meeting date for the Boat Committee. Seconded by Jim van Bergen. Motion carried 5-0.

Ideas on Ten Year Rule / Waiting List

Tom Drummond thanked everyone for showing up this evening to participate in the discussion on the Ten Year Rule. He noted that the Ten Year Rule doesn't seem to be supported by many. He asked everyone present to give us any ideas you might have on the Ten Year Rule and Waiting List.

Marta Chou (3945 Walden Road) asked if it was legal to have two separate classes of residents – one under ten year limits and others who can have a slip for a lifetime.

Paul Ahern (3260 Maplewood Road) stated that he is an attorney and there is no claim that could be made under a class action suit.

Jerry Cox (3610 Laurel Drive) stated that he would like to look for ways to make it work for everyone.

Marta Chou asked what the status quo on this issue was.

Tom Drummond stated that everyone with a dock slip before 2008 has it for a lifetime and everyone who received a dock slip beginning in 2008 only has it for ten years. Dana Young added that there are a total of 94 dock slips, which include 48 residents who are grandfathered and 46 who are under a ten year term limit.

Brian Girard (3979 Hillcrest Road) stated that he is #90 on the list. He stated that a lot of residents hope to get a space and there has to be some sort of fairness unless the city installs more docks. He stated that he would recommend either a lottery system or reduce the term from ten years to five years.

Paul Ahern stated that he chose to live in Deephaven specifically to get a boat slip. He stated that in another seven years, the remaining 48 spaces will likely open up. He noted that no one is really interested in sailboats. He added that a lottery system would result in a lot of parked boats.

John Jaffray (19040 Azure Road) noted that the process needs to be fair; he stated that people living on the lake shouldn't get a boat and rates should be increased but not dramatically. He stated that he would like to see this issue resolved now. He stated that nobody should be grandfathered and everyone should be required to get off the slips in ten years after 2008.

Tom Drummond stated that the whole purpose of tonight's meeting is to give recommendations. He stated that he knew at some point the Ten Year Rule would start getting everyone's attention since the ten year period is coming to an end.

John Jaffray stated that there should be an incremental approach to avoid dumping everyone off the docks in three years.

Dana Shanesy (3608 Lowell Street) stated that you could add five years to the Ten Year Rule and allow the grandfathered residents a 15 year term limit.

Jerry Cox stated that people moving to Deephaven now have different expectations. He expected to wait 20 years to get a boat. He stated that everyone on the list since 2008 should be given a lifetime lease and any new resident should be subject to the Ten Year Rule. He stated that it's a matter of expectation.

Dan Shanesy stated that he agreed with Jerry's comments. He had the same expectation. He stated that he waited 21 years to get a slip and even had to check the list every year to make sure that the City knew he wanted to stay on the list. He stated that he eventually got married and had to decide whether to remain in Deephaven or move. He stated that he ended up remodeling his home and stayed in Deephaven. He stated that the last time the idea of change came up, the Elementary School was packet with residents. Getting a boat slip is an asset and he felt that he was duped by only getting a ten year lease. He stated that some people have waited a very long time with that expectation.

Jim Friedlander asked what the solution to this issue is. He stated that the waiting list is the symptom of the disease we are trying to cure. He stated that we need to figure out what the problem is.

Marta Chou about the notice that was given for this meeting and suggested that there are other ways of getting out the notice for this meeting.

David Matteson agreed that the agenda could have been pushed out further.

Chris Struble (3658 Therese Street) stated that it is all about expectations. He stated that he had been on the list for 18 years and a group of people began to complain about how long you had to wait. He added that there needs to be greater enforcement of the rules governing the use of the marina. He stated that it needs to be fair for everyone and recommended going back to lifetime leases and enforce the rules more stringently by ensuring that the residents own the boat.

George Sayer (3705 Westview Drive) recommended allowing residents to share spaces.

Dana Young stated that the City already allows the sharing of spaces through joint leasing.

John Hughes (19150 Lake Avenue) stated that he had been on the list for 14 years and is one of those who have been grandfathered in. He stated that he understands the issues and has a joint lease arrangement with another resident. He suggested getting those who have grandfathered status to have a joint lease or find some way to incentivize these grandfathered residents to provide a joint lease.

Robert Dircks (3645 Parkway) stated that he joint leases with John Hughes and it has worked well. He stated that there is a ton of demand for access to the lake and very few cities have this amenity. He stated that the question is how to make access available for everyone. While \$750 is a great rate, we are subsidizing this amenity. Raising it to \$1,500 or \$2,000 would force more turnover. He stated that if you are concerned with pricing people off the slips, you can charge higher rates depending on the amount of someone's property value. He stated that someone with a \$2 million dollar home should pay more than someone with a \$350,000 home. He stated that you could also have one rate for the first ten years then incrementally increase it each year. He stated that anyone with a joint lease should either have the slip for a lifetime or for a longer term than ten years. He stated that rates are a key way to move the waiting list.

Jim Friedlander asked if these rates would be applied equally.

Robert Dircks stated that you could eliminate term limits but could increase rates depending on your length of time on the slip, although he recommended that the rates would eventually have to be capped. He stated that the excess funds could be used to fund other recreational opportunities.

Woody Jewett (3810 Northome Road) stated that we once were allowed to have boats on buoys and we should petition the LMCD to allow motorboats on buoys. He stated that there is no reason motorboats can't be on buoys.

Brian Larson asked if boats on buoys would require a separate waiting list.

John Hughes stated you could use the same waiting list.

Brian Larson asked if you would charge less for a buoy space.

Woody Jewett stated that the rate should be less. He also suggested that the City could designate a space on the city dock where someone using the buoy could pick up passengers.

John Jaffray stated that the use of buoys as boat spaces doesn't get to the fairness issue.

David Matteson stated that he appreciated the ideas suggested this evening. He distributed and presented his position statement on the Ten Year Rule.

He stated that he respected the intent of past community leaders to make dock and shore space accessible to all residents by reducing the wait list time for a dock space. Unfortunately, the rule is unfair in that it delivered lifetime rights to those who had a dock, took away the opportunity for lifetime use for those on the waiting list prior to the rule change, and did not apply the ten year rule to shore space or slides.

He stated that you don't change the rules in the middle of the game. Anyone on the wait list or with a slip prior to the adoption of the Ten Year Rule should have a lifetime use. Anyone moving in after that date should be under the ten year rule.

As a compromise solution, he stated that no one gets a lifetime privilege and the term for a dock is ten years or years spent on waiting list, whichever is longer.

He concluded by stating that dock rates should never be used as a tool to get people off the dock or off the waiting list.

Jim Friedlander stated that if the average wait is currently 20 years, this proposal would increase the wait on the list. He stated that this is going to push everyone out many more years.

David Matteson stated that there is a benefit to being a long time resident.

Brian Larson stated that there is an economic impact disparity between the market rate for these slips and the \$750 rate. He stated that you could vacate the five oldest leases on the docks and any excess revenue could be used to offset property taxes.

Tom Drummond stated that he is grandfathered resident that has a dock slip for perpetuity. He stated that he waited 18 years for a slip to become available. He stated that he agrees with Brian that the \$750 rate is too low. He stated that it is cheaper to keep it on the dock than to store the boat. He stated that the City of Excelsior keeps their dock slips at a market rate for a non-full service marina at around \$100 per foot. He stated that these rates drive off those that aren't using their boats.

John Hughes stated that he might not be able to afford these rates but that is the benefit of a joint lease. He stated that he would like to support those people on a fixed income who couldn't afford these rates.

Tom Drummond suggested that a senior rate might help.

Dan Shanesy stated that he doesn't know anyone who can't find a slip on the lake; you just can't find one for \$750.

Chris Struble stated that you need to go back to one system, either everyone is under a term of ten years or a lifetime.

David Matteson stated that the Ten Year Rule is not fair and it is time to move this discussion forward.

Paul Ahern stated that it might make sense to charge everyone an initiation fee to be on the waiting list.

Brian Girard suggested doubling the rates to provide better security and to control access to the docks.

Tom Drummond stated that he has been in favor of a security system for the last couple of years.

John Hughes stated that he didn't think there was a lot of theft and some of the theft was from the lake.

Jim van Bergen stated that he believes this is an economic issue. He stated that we could keep rates static for ten years, increase the rates to a municipal marina rate at fifteen years, and increase to commercial rates at thirty years. The excess revenues could be used as a credit to all residents, especially those that don't benefit from having a dock slip.

Woody Jewett stated that docks aren't just an asset they have become a riparian right and the Village shouldn't benefit from increased rates. He added that additional security isn't necessary, that's what insurance is for.

Dan Shanesy added that the increased security would improve access to the docks as well.

Chris Struble stated that he liked the idea of an initiation fee. Requiring people to pay up front would make them think twice about being on the list.

Jim van Bergen stated that he has a problem with rules changing after the fact and that he was always willing to wait for a slip. He stated that the docks are the most valuable asset we have. He stated that he has long had a problem with boat usage as he only sees five or so boats out at one time. He stated that the \$750 rate is too low and people just park their boats on the slips because it is so inexpensive. He stated that he prefers the old rule or a term equal to the amount of time spent on the waiting list. He stated that he would like to have a reasonable increase in rates. Boats are a luxury item and people shouldn't be surprised to pay more for a slip. He added that we would love to know if someone is violating any rules regarding marina usage, but not many people come forward with this information.

Tom Drummond thanked everyone for coming this evening.

Other

There was no other business to discuss this evening.

Adjournment

Motion to adjourn by Brian Larson, seconded by David Matteson. Motion carried 5-0. The meeting adjourned at 8:45 p.m. The next regularly scheduled meeting of the Boat Committee will be held on Thursday, June 11, 2015.