STATE OF ALABAMA)(
:
COUNTY OF BALDWIN)(

The Harbor Board met at 4:30 p.m., Civic Center, Delchamps Room, 161 N Section St. Fairhope, Alabama 36532 on Wednesday, December 12, 2018

Present were Members: Skip Jones, Chris Cunningham, Tom Yeager, Bob Riggs, Don Bates and Kevin Boone. The City was represented by Tom Kuhl, Sean Saye and Lynn Maser. Jennifer Olmstead took the minutes.

Skip Jones called the meeting to order at 4:30 p.m.

Minutes from the November 14,2018 special called meeting were presented. Tom Yeager stated he was not in attendance as minutes reflected. Tom Kuhl should have been listed as in attendance. The corrected minutes were approved on a motion by Bob Riggs, seconded by Chris Cunningham; none opposed.

Skip Jones introduced new board member, Don Bates. Mr. Bates provided the board with a brief background of himself.

Skip Jones requested the present City representatives to provide an update of what is going on at the property on Fly Creek. Tom Kuhl stated that they had been to KEMKO to view and get an estimate of what a dry storage building would cost. As of the meeting, they had not provided any budgetary numbers that might be used. Tom Yeager had concerns regarding the esthetics of a dry storage facility as well as the extended use of it on the property. Sean Saye provided an occupancy rate of 60%.

Chris Cunningham provided a proforma on a twelve-month dry boat storage with and without a boat yard, exhibit 1, as asked of him at the prior meeting. The numbers provided for the boat yard is only for rental income from the boat yard and does not include the current income from slip rentals. The board discussed the proforma; the decision will be whether the City would like to provide the service of having a boat yard on the Fly Creek property, or the added revenue with not providing the service of a boat yard. Skip Jones polled area marinas to see if there would be a need for a boat yard on the Eastern Shore, but ones polled were warry of providing definitive answers; additional information needs to be gathered.

There is a consensus of the board that whatever decision is made that the facility be environmentally friendly and maintain a "clean marina".

Skip Jones asked for a recommendation to not hold the regularly scheduled January 2019 meeting and have a special called meeting in February 2019. A recommendation was submitted for a February 13, 2019 special called meeting.

Citizen Carl Black had concerns about slip rent at the Fairhope Docks and the future of the Fairhope Docks.

There being no further business to come before the Harbor Board, the meeting was duly adjourned at 5:25 pm.

Respectfully submitted by Jennifer Olmstead

Approved: 02/13/2019

| Fairhope Docks Marina Proforma Twelve Month Dry Boat Storage With and Without Boat Yard | | | | | | |
|---|-------------|-----------|-----------|-----------|-----------|-----------|
| Capacity Occupied Number of Available Spaces: Without Boat Yard | 100% | 90% | 80% | 70% | 60% | 50% |
| With Boat Yard | 50 | | | | | |
| Average Boat Size Price Per Foot: | 24 10.50 | | | | | |
| Boat Yard Rent Per Month | 3,000.00 | | | | | |
| Total Monthly Rent Without Boat Yard | 23,688.00 | 21,319.20 | 18,950.40 | 16,581.60 | 14,212.80 | 11,844.00 |
| Total Monthly Rent With Boat Yard | 15,600.00 | 14,340.00 | 13.080.00 | 11,820.00 | 10,560.00 | 9,300.00 |
| Two Personnel @ \$50k (includes taxes and benefits) 100,000 Utilities. Fuel, Maintenance, Insurance 12,000 Fork Lift Purchase New 175,000 Used 100,000 Building (\$3000 per Boat Stall) 94 3,000 282,000 50 3,000 150,000 | 0 0 0 | | | | | |
| Revenue | 284,256 | 255,830 | 227.405 | 198.979 | 170,554 | 142,12 |
| Expenses | 112,000 | 112,000 | 112,000 | 112,000 | 112,000 | 112.00 |
| Profit | 172,256 | 143,830 | 115,405 | 86,979 | 58.554 | 30.12 |
| With Boat Yard Twelve Months | | | | | | |
| Revenue | 187,200 | 172,080 | 156,960 | 141,840 | 126.720 | 111.60 |
| Expenses | 112,000 | 112,000 | 112,000 | 112.000 | 112,000 | 112,00 |
| Profit (loss) | 75,200 | 60,080 | 44,960 | 29,840 | 14,720 | (40 |
| Profit Difference | 97.056 | 83,750 | 70,445 | 57,139 | 43,834 | 30,52 |