

CITY OF BAYFIELD HARBOR COMMISSION MEETING
Minutes of Monday, July 2, 2018 - 4:00 p.m. at the Bayfield City Hall

Call Regular Meeting to Order - Roll Call: Chairman Bryan called the meeting to order at 4:00 p.m. at the Bayfield City Hall followed by roll call.

Present: Fredenberg, Shrider, Bauer, Dahl and Chairman Bryan

Absent: Edwards (arrived at 4:13 p.m.)

Others: All names may not be spelled correctly.

Mayor Ringberg	Phil and Marica Anderson	Skip and Pam Peterson
Mel Whiteside	Bill and Maureen Sishka	Craig Skaaden
Bill and Darlene Staffeldt	Robert and Colleen Kangas	Jen Eklund
Bels Jensen	Rich Maher	Abe & Tonya White
Doreen Johnson & Bill Peterson	Charlie Jarvis	Bailey Davis
Gary & Judy Magnuson	Joe Longtin	John Wolfe
Brad Anderson	Dallas Johnson	Richard Anderson
Ric Lehto	Barrett Nelson	Jim and Colleen Austin
Bill Boyt	Jim Vaudreuil	Mike Hoopman
Dan Lewis	Tom Kovachevich, PWD	Billie Hoopman, Clerk

Approve Agenda: Fredenberg/Bauer moved to approve. Carried.

Review/Approve Minutes from June 4, 2018: Shrider/Bauer moved to approve. Carried.

Public Input on Agenda Items:

Due to the large number of people at the meeting, Chairman Bryan began by giving a brief statement. He noted the Marina Lease is expiring at the end of the year. The Harbor Commission has been discussing their options. The Commission has acknowledged the high degree of service we have with B&D Marine, and currently the Commission would like to continue that relationship. The Commission has tweaked the verbiage of the lease and recently sent a draft to BD Marine for review. They have sent back comments which will be reviewed in closed session later in the meeting.

Jim Lynch: Said he works at the Marina and sincerely enjoys working for Bill. He feels they provide great service to the Bayfield Community and have a combined 150 years of experience. He was not in favor of an outside group taking over management of the marina. The AIM provides a neat atmosphere and has a nice boating family/community.

Maurine Zishka: Said she does not want a 3rd party handling their boat. She said, contrary to what some think, most of them are not rich, and sacrifice in other ways to make this work. She was not in favor of a different management style. She has level of satisfaction with the AIM staff, noting they treat her well and are very respectful.

Chairman Bryan said we have a deteriorating marina and it's the City's responsibility to fix it. The velocity of storms and high water have contributed to the problems. The Commission is also aware of the parking lot issues and it's our goal to make improvements in the entire area that are good and permanent.

Nels Jensen: Began by noting he's been a resident at the marina since the 1990's. He is happy with Bill Peterson and his crew. Jensen told the Commission they don't have to be here, they

can move anyplace, in fact they are planning to move their boat to Florida. The AIM is the most expensive marina in the area, has old infrastructure and lacks modern facilities. He was appalled to get a bill for tax. The boating industry is a six-million-dollar venture and he warned the Commission they have to be careful on how they deal with others. He believes we're pricing ourselves out of the market.

Jack Beagan: Told the Commissioners that he's a Town resident and he's the Town of Bayfield Plan Commission Chairman as well as a member on other various boards and committees. He's been a slip renter since 1998-1999. He said there are a variety of gems in Bayfield, and the AIM is one of them. It's an attractive place and a draw. If we mess with it, there likely will be unintended consequences. The crew cares about the people in their marina. He wondered if the economic issues could be resolved in other ways. He asked the Commission to please be careful and take your time and look at every option available.

Dallas Johnson: Told the Commission he's been coming to Bayfield for 25 years and has been an owner for 10 years and will be a resident in the future. He noted he was part of the management team in Minnetonka, at Wayzata which has 178 boating units. At that time, he worked with a variety of other marinas and City' governments, and said he can't be clear enough, marina's owned and operated by a municipality have parking lots for marinas. He's in favor of marinas that are operated by Marina Owners.

He reminded the Commission the amount of money spent by boaters, indicating he would spend about \$5000 on boating junk this weekend. He suggested the Commission is being penny wise and pound foolish.

Edwards arrived at 4:13 p.m.

Bill Stafeldt: Said this is now his 7th season at the AIM and he's generally here from May-October. During this time, he's seen Bill and his crew during the night tying up boats, etc. Where else can you get this kind of service? He said even City Hall's door is locked at 4 p.m. Stafeldt said he pays about \$6000 dollars a year on the slip, and he and his wife eat out about once a day. They contribute to all of our local businesses. He commented it isn't just the workers that encourage the boating public it's the slip owners that promote it too. There's a limit on what you can raise rates.

Jim Austin: Jim said he and his wife Colleen have been at the marina for 32 years. They appreciate Peterson's management. Austin further said he hires out a lot of work on his boat and values the high skill levels and their innovative thinking. He feels they get great support from the AIM staff.

Jack Beagan: Added that many just spent the day on the water as part of the 40th Annual Race Week. He said there are 70 boats registered which equates to approximately 800 people. If we take the marina away from Bill Peterson Race Week dies.

Commissioner Shrider acknowledged those present. She began by informing them she had recently been asked to recused herself from the process. She suggested there was some misconception that Bill is not getting the lease. That is not the direction the Harbor Commission is going. We've been working on the process for 9-10 months. That option was evaluated at one time, but it isn't the option that is being pursued. She spoke on behalf of the whole Commission and said the City couldn't be happier with the work Bill and his staff is doing. That is the direction the Commission has and hopes to continue with going forward. She further noted, the Commission has an obligation to the City Taxpayers to answer the age-old

question, “why doesn’t the City run it and make more?”. The Commission looked at this during the past few months and said that currently the Commission felt it was in our best interest to continue working with BD Marine.

Began, said so a different management style is not on the table. No, not at this time.

Barrett Nelson: Said he’s been a member of the boating community for the past 31 years and has paid marina fees for all of these years. He asked, how much does the City have in reserves for capital improvements? He was told we currently don’t have any funds in reserve. He said this was irresponsible, before being redirected. It was also noted the City does not set the marina rates; they are set by the lessee.

Phil Anderson: Phil said this is his and his wife Marcia’s first year here. He has been boating since 1981. He said the only reason they came here is for the service. He was paying double elsewhere.

Charlie Jarvis: Told the Commission he was an AIM Employee and a slip holder. He said the services are not in question. He works for them in the professional development area and he would love to stay and work here in Bayfield. He loves the marina; if it’s not broke don’t fix it.

AGENDA:

City Dock

1. Apostle Islands Cruise Service – Island Princess

At the last meeting an agreement was made to allow use on the South side of the City Dock T. Dan Boucher, was present seeking clarification on if they could use the north side transient area of the dock on days they would be using the IP for charter service.

Boucher informed the Committee their new boat was done and they are currently waiting for it to be inspected by the Coast Guard which is scheduled for July 13. It should be in Bayfield around July 22/23.

Fredenberg/Edwards made a motion for the 2018 season:

- to allow the AICS to reserve a portion of the transient side and have it reserved from the night before the scheduled charter trip until the boat returns from the charter, and they would pay the transient rate on the days the north side of the dock is reserved/used by them (\$71.00/night)
- to bill the AICS for 80’ of dock space-South Side of T for the IP, for half the season.

Carried.

2. Public Works Director Report: Issues/concerns/updates

He reported that we got our new globe and it’s been installed.

L.E. Building-Slip/Fishing Pier/Boat Ramp

1. Waterfront Turning Point Project – Updates

Bryan told the Commission the project seems to be coming along and progressing nicely. The restrooms are almost complete. The sewer line was hooked up. Crews will soon be working on the concrete pad for the travel lift. The PWD said he’s waiting to hear from Xcel about connecting the power; he’ll need to coordinate this work with Bill.

2. Public Works Director Report: Issues/concerns/updates

The PWD said they have bolted one of the loose board back on and removed the other; an interim solution. Hoping to permanently fix during the winter months.

Marina

1. Marina Lessee: May Fees Report

Informational only; no action required.

2. Marina Lessee: Issues/Concerns

Peterson said it's been exciting working with Luppino. Mostly it's been going ok. He reported they continue to fill holes and there was a high seiche during the last storm which caused some issues including a few of their pelican poles that were lifted out.

3. MN Petroleum Fuel Dispenser Project Update and Invoice

Peterson said they continue to find more leaks. MN Petroleum has already come twice to fix them. AIM will inspect again on the 15th.

Fredenberg/Dahl moved to approve Invoice 125596 in the amount of \$17,422.83. This invoice was \$2421.00 higher than expected but covered additional electrical work that was needed. The project is considered to be fully completed. Carried.

4. MN Petroleum Service – Sensor Replacement Invoice

Peterson explained the sensor needed to be replaced; it's separate from the fuel dispenser project. He spoke to MN Petroleum and asked them to provide this service. Unfortunately, they forgot, but they took care of it during a return trip. Shrider/Edwards moved to pay Invoice 0000041040 in the amount of \$256.00. Carried.

5. One Guy Plumbing – Invoice

Peterson gave a brief summary of the need to have the 1970's toilet replaced. Fredenberg/Bauer moved to pay the invoice from One Guy in the amount of \$648.32. Carried.

6. Marina Break wall: Review Draft RFP For Services

Fredenberg/Shrider moved to approve the proposed RFP for services. Hoopman indicated she has a list of engineers she plans to send a copy to directly. Shrider said to send her a final copy and she will have it posted by the WI Marina Association. Carried.

7. Public Works Director Report: Issues/concerns/updates

Shrider informed the Commission about a new code which requires modifications to the marina pedestal; they need ground fault interrupters. The estimated cost is \$300 per unit, not installed. Discussion ensued. No action was taken.

Other Business/Concerns

1. WI Commercial Ports Associations 2018 Dues

The Commission received a copy of an e-mail and a membership dues invoice from the Wisconsin Ports Association in the amount of \$250. Since we are not technically a Wisconsin Port and nobody could attest to the benefits of the membership, Dahl/Fredenberg moved to not renew. Carried.

2. Schedule Next Meeting(s)

- Monday, August 6, 2018, 4 p.m.
- Tuesday, September 4, 2018, 4 p.m.

Shrider recused herself from the rest of the meeting and left the building.

Fredenberg/Bauer made a motion to convene into closed session pursuant to Section 19.85(1)(e). The lease between the City of Bayfield and the Apostle Islands Marina is due to expire on December 31, 2018 and the Harbor Commission would like to continue discussing future lease options, opportunities and negotiation strategies and will be reviewing previous meeting closed session minutes. They reserve the right to reconvene into open session to make any decisions on the discussion, to continue with any remaining agenda items or for adjournment purposes. Carried – All ayes. (5:06 p.m.)

Fredenberg/Edwards made a motion to reconvene into open session for purposes of setting the next meeting date and adjournment. Carried – Ally Ayes.

The Commission will hold a special meeting on Monday, July 16, 2018 at 4 p.m. to discuss the Marina Lease only.

Adjourn: Fredenberg/Dahl moved to adjourn. Carried. (5:26 p.m.)

Minutes by: Billie L. Hoopman, Clerk