

CITY OF BAYFIELD
COUNCIL & HARBOR COMMISSION NOTICE OF PUBLIC MEETING
Minutes of May 11, 2023, 5 p.m.

Call to Order the Common Council Meeting followed by Roll Call

Mayor Ringberg called the meeting to order at 5 p.m. followed by roll call and the Pledge of Allegiance.

Present: Bland, Carrier, Cornelius, Dougherty and Mayor Ringberg

Call to Order the Harbor Commission Meeting followed by Roll Call

Present: Bauer, Dougherty, Jensen, and Shrider

Absent: Zawislak

Others: Bill Peterson and Doreen Johnson, BD Marina; Charlie Jarvis, Diane Fizell, J Blom, David Blom, Ken and Mary Tyler, Jim Austin, Tom Treichel, KT, James Cragoe, Erik Scott, Richard Amseden, Laura Lima, Ken Dobson, Larry Munch, Fred Clark, Dan Beeson, Tom and Paula Iverson, John Unger, Jim Bryan, Craig Hoopman, Scott Randall, Kent Johnson, Jim Lynch, Doug Lowithian, Tom Genz, Michael Hof, CH, SC, Kate Kitchell, Susan, Tom Shrider, MB, Nancy Trapp, and Craig Skaaden

City of Bayfield Staff: Clerk Hoopman, Treasurer Johnston, PWD Kovachevich

Review/Approve Harbor Commission Meeting Minutes of May 1, 2023: Shrider/Jensen moved to approve the minutes as presented. Carried.

Public Input on Agenda Items:

- Mayor Ringberg made an opening statement in which he reminded those present the decision to have the City assume management of the marina was the Harbor Commission's to make and it had done so. Further, all the necessary borrowing was in place and so no action was required of the City Council to move ahead (if borrowing was needed).
- Jim Lynch: Noted he's been an employee at the marina and has worked in the marina industry for 40 years. He offered to stay on and help.
- Scott Randall: Introduced himself and told those present, he's the owner of the Boat Building next door. He noted it makes no sense why the Harbor Commission is messing around with trying to obtain an additional \$100,000. Wonders if we pay income tax. Asked what the marina is worth and said we might want to sell it and put it onto the tax roll.
- David Blom: Noted a draw to any marina is service. What is the City's plans to provide service?

There was no further public input received.

Chairman Dougherty reminded those present the City of Bayfield has never provided service. He's hoping a private entity will do so. He believes the City's Taxpayers would be upset if we didn't pursue any and all revenue streams. The Harbor Commission's intent it to successfully operate the marina and provide a return on investment to the City. Councilor Dougherty

reiterated Mayor Ringberg's assertion this decision was final and a vote of the City Council was not required to do the necessary borrowing. He then provided a brief history.

Harbor Commissioner Shrider followed by providing a detailed overview. She touched on the following:

- Goal has been to maximize profits.
- Why have a Harbor Commission? The State allows a municipality to make money on its harbor assets, provided there is a Harbor Commission.
- Phil Johnson had a 10-year, transferrable lease. This lease was transferred to BD Marina.
- BD Marina was provided with an additional 5-year, non-transferable lease. This lease expires 12/31/2023.
- BD Marina listed their business for sale which came to the Harbor Commission's attention.
- The Harbor Commission engaged in an extensive Critical Evaluation which included options such as selling, leasing, or running it ourselves and many combinations in-between.
- A consultant was hired to review materials and provide a SWOTs analysis.
- Found there were cohesive opportunities to collaborate better with the City to maximize revenues.
- Haul and launch services will be provided.
- Demand brings in service.
- The Harbor Commission reviewed the extensive list of Equipment from BD Marina and made an offer. The offer was rejected as was an offer to further negotiate.
- The Harbor Commission is looking for the Council's support moving forward with the purchase of equipment and the hiring of staff.

Chairman Dougherty noted the SWOTS was not intended to be a business plan.

Councilor Bland questioned the use of General Obligation debt for a business venture.

The Harbor Commission has always paid their debt and has provided an additional revenue stream to the City's General Fund. Most Harbor Commission's don't give funds back to their municipalities rather they use them to reinvest into their harbor assets.

Councilor Cornelius noted the borrowing was already approved by a previous Council. She thanked the Harbor Commission for their work and asked them to continue considering used equipment if it makes sense.

Chairman Dougherty said the Harbor Commission's goal has always been to make money, provided great service and give funds back to the City's General Fund.

Discussion ensued on the purchase of a new travel lift. Scott Randall noted a new travel lift might not fit into his building and requested the HC purchase one that would fit. The quotes received for new lifts were meant to provide an apples-to-apples comparison to the existing lift. There was dissent on the value of the existing lift. Peterson and Johnson said to make them an offer. The Harbor Commission was surprised, because they told them at a previous meeting their prices were firm, and they didn't want to negotiate.

Councilor Carrier said the Harbor Commission has spent many hours on this subject and it's clear they care. He noted this was their first joint meeting and this enterprise adds a lot of

complexities to the City's organization. He feels this endeavor will cause more weight and strain on the City's staff. He learned in December the Council doesn't have any say over the day-to-day operations, but is concerned staff should be spending time on other city priorities. When asked what priorities, he mentioned parking. He requested the Harbor Commission provide:

- Details on how the Marina Operations will impact current staff.
- A 10-year Capital Improvement Plan.
- The Wage Report that shows how each employees time it broken out to the various departments.

Regarding staff, no big changes to City Staff are expected in the first two years. After, it is possible some of their work load will be transferred to new Harbor Staff (fee collections, restroom cleaning). In year one, the Harbor Master will do all dock leases removing the responsibility from Hoopman.

Materials included in meeting packet:

Purchase of Marina Equipment:

- Conolift Quote for lift & yard trailer
- Marine Travelift Quote
- New vs. Used Report
- Marina Study – Final Report (unredacted)
- Marina Study – Updated May 2023

Harbor Commission Budget Information:

- The 2023 Budget and 2024 Projected Budget
- 2023 Debt – General Fund/Harbor/Fire/Utility overview

Job Descriptions and Timeline for Hiring:

- Harbormaster
- Assistant Harbormaster
- Haul & Launch Maintenance Technician
- Seasonal Dock Attendant

Next Steps:

The Harbor Commission noted:

- further discussions with BD Marine could ensue to discuss the purchase of equipment.
- they will be posting the Harbormaster and other positions in the months to come.

Adjourn

Council: Bland/Carrier moved to adjourn. Carried.

Harbor Commission: Shrider/Bauer moved to adjourn. Carried.

Minutes by Billie L. Hoopman, Clerk (7:22 p.m.)

Amended by Council: June 21, 2023