

**February 16, 2022**

**HARBOR COMMISSION MEETING**

5:30 P.M.

WASHBURN CITY HALL - 119 N WASHINGTON AVENUE

Commission Members Present: President Carl Broberg; Rodger Reiswig; Nick Suminski; Candace Kolenda; Caroline Nelson; Matt Crowell; Rick Gruebele via Zoom

Commission Members Absent: None.

Municipal Personnel Present: Scott J. Kluver, City Administrator; Arianna Austin, City Administrative Assistant, Michelle Shrider, Marina Manager via Zoom,

Guest: Karen Spears-Novachek

**Call to Order** – President Broberg called the meeting to order at 5:30 p.m.

**Approval of Minutes of the January 19, 2022 Meeting** – Reiswig moved, and Nelson seconded, to approve and place on file the January 19, 2022 meeting minutes. Motion carried 7-0.

**Public/Member Comment** – None.

**Treasurer’s Report** – Kolenda moved, and Suminski seconded to accept and place on file the Marina Operating reports. Motion carried 7-0.

1. **Payment of Invoices** – Kolenda moved, and Crowell seconded to approve an invoice from Wisconsin Commercial Ports Association for 2022 dues in the amount of \$250.00. Motion carried 7-0. Suminski moved, and Crowell seconded to approve an invoice from Black Warrior Marine LLC for diving costs in the amount of \$900.00. Motion carried 7-0. Reiswig moved, and Kolenda seconded to approve an invoice from Wisconsin Harbor Towns Association for half of 2022 dues in the amount of \$250.00. Motion carried 7-0.

**Slip Transfers** – None.

**Marina Manager’s Report:**

1. **January Financial Report** – Shrider reported that the marina and service department are very busy. Revenues are exceeding budget. Suminski moved, and Kolenda seconded to place the report on file. Motion carried 7-0.

**Update on the Following Projects/Items:**

1. **Service Bay Heater** – Parts have arrived, Cady Plumbing and Heating will be installing March 2-3. The current exhaust may be reusable.
2. **Store Window** – Ordered with a June delivery date.
3. **Travelift Tire Replacement** – Two sets of tires are off and in Superior. The mechanic is currently out with Covid therefore return will be delayed. Split rims require a specific skill set, and Michelle is waiting to make sure they can do the work.

4. **Bulkhead Wall Bumper Replacement** – Bumpers were replaced February 16. The missing section of the ice shield is still in fabrication, with an anticipated completion of next week. Several 20-foot timbers need to be replaced, but 20 foot timbers are hard to come by so 10-foot sections will be ordered for the replacement.
5. **Marina Service Doors Replacement** – Currently in Duluth but will wait for delivery until outdoor temperatures are warmer. Ratliff Construction will be doing delivery and installation. Shrider requested that the locks be rekeyed to match the current system. Ashland Lock and Key will be contacted.
6. **Pier 4 Engineering** – Engineer planned to assess anchoring system but will need to wait until snow and ice melts.

**Discussion and Action on Renewal of Commercial Dock Usage Agreement with Nelson Construction, Inc. - Suminski moved, and Kolenda seconded to approve the agreement with Nelson Construction. Motion carried 7-0.**

**Discussion and Action on 2022/23 Marina Budget** – Shrider reported this budget was particularly challenging, due to lows and highs in the past two years. Employee obtention and retention is a national challenge. Wage increases and expenses are up. Guest dockage and slips are anticipated to be at full capacity. Utility increases are expected. Broberg questioned the reattachment of the floats on Pier 4. Shrider understands that Pier Genius will be responsible for the repair. Suminski asked if repairing floats on a rotating basis is feasible. Shrider plans to address them as they fail but it is an ongoing project. Kolenda asked for clarification on purchasing additional floats. Suminski questioned the hiring of assistance for the float repair as part of the marina manager budget. Shrider stated that the larger floats require two people, and the amount historically has been reimbursed by the Commission. Suminski asked for clarification on the revenue totals. Shrider stated that the numbers are conservative. Kluver inquired about the overall revenue due to increased usage and how that translates to increased rental fees. Shrider clarified that rental fees have increased 3-5%. Crowell stated the current bottom line appears lower than the historical average. Kolenda concurred. Shrider reiterated that the budget is lower than the actual anticipated amount. Crowell stated concerns on the decreased revenue and the increased expenses in this budget. Shrider stated the gross profits shows a continued increase. Broberg questioned Pier 4 increase usage and budgeted gross revenue. Shrider stated guest dockage revenue pays 50% to the Commission annually. Shrider described the billable labor and non-billable labor rate in the service department. Suminski asked about work already in queue and Shrider noted service is booked through the spring and early summer; summer months are reactionary with five full-time service technicians. Broberg reiterated concern on discrepancy between increased expenses and decreased revenue. Shrider stated wages are up for the store attendants, so this category is budgeted very conservatively. Kluver asked about marketing and boat shows. Shrider has money budgeted for boat show but is unsure on its effectiveness and expressed concern about digital outreach. Reiswig moved, and Gruebele seconded to approve the budget as presented. Suminski suggested reviewing additional details, Crowell concurred. Suminski reiterated concern on discrepancy between increased expenses and decreased revenue. Shrider reiterated that the budget is conservative and would rather exceed expectations than fall short at the end of the year. Broberg noted the preference to be closer to actual revenues and expenses for more realistic views. Kolenda stated that a budget should be built on accuracy. Crowell noted as a reader the budget looks to be deficient comparative to previous years. Motion on the floor to approve the budget as presented for the year 2022-23. Budget is approved as presented. Motion carried 7-0.

**Other Business as approved** – None.

**Adjourn** – Broberg stated the agenda items have been completed and adjourned the meeting at 7:19 p.m.

Respectfully Submitted,  
Arianna Austin  
Administrative Assistant