

JULY 28, 2018 HARBOR COMMISSION MEETING

8:00 A.M. WASHBURN MARINA – 1 MARINA DRIVE

Commission Members Present: President Carl Broberg, V.P. John Baregi, Rodger Reiswig, Nicholas Suminski, and Don Swedberg.

Commission Member Absent: Bradley Lemire and Mary McGrath.

Municipal Personnel Present: Kay Bratley, Deputy Clerk/Treasurer.

Municipal Personnel Absent: Scott Kluver, City Administrator/Clerk.

Call to Order – President Carl Broberg called the meeting to order at 8:05 a.m.

Approval of Minutes of the July 3, 2018 Meeting – Swedberg moved to approve and place on file the July 3, 2018 Meeting Minutes and Suminski seconded. Motion carried 5 -0.

Public Comment – None.

Treasurer's Report – Reiswig made a motion to approve and place on file the Marina Operating Account and the Harbor Passbook reports and Baregi seconded. Motion carried 5-0

1. **Payment of Invoices** – Baregi moved to approve C & W Trucking invoice #18911 for \$2,900.00 and Suminski seconded. Motion carried 5-0. Broberg stated the next invoice is the Wisconsin Commercial Ports Association annual dues of \$200.00 and he will be attending the meeting in Superior, WI on August 17th and 18th to represent the marina. Swedberg moved to approve Wisconsin Commercial Ports Association invoice dated June 26, 2018 for \$200.00 and Baregi seconded. Motion carried 5-0.

Slip Transfers – Broberg confirmed the completion of slip #8 transfer from Cegielski/Pittman to Walker.

Marina Manager's Report – Shrider stated June was slow due to weather but were very busy in July and have a 100% occupancy with a waiting list for this year; the service department had been very busy and is starting to slow down so they can work on maintenance items before the haul out packets go out in two weeks, however last week 6 boats were launched, so launch and haul out may be overlapping.

1. **June Financial Reports** – Shrider stated we have a 6.67% budget surplus, all departments are running close to being on target; we have quite a bit of trailer boat activity in terms of people calling, stopping by for service, parts, and stopping in the Ship's Store which we are tracking back to the radio advertising being done in our region. Swedberg moved to accept and place on file the June Financial Reports and Reiswig seconded. Motion carried 5-0.

Discussion and Action on Property Insurance Coverage – Broberg stated notice was received from the marina's insurance carrier that handles the existing comprehensive policy with a premium of \$788.00 per year for the loss of our docks, is being cancelled and are offering two options: 1) same coverage with a premium of \$10,609.00 per year or 2) a policy with an annual premium of \$6,062.00 with only \$250,000.00 of coverage per occurrence; that is a significant impact to our operation budget in the coming years. Broberg stated this coverage was taken out a few years ago when looking into the replacement cost of the piers if something were to happen; believes the increase in premiums may have been a result of the Saxon Harbor disaster and we will need to explore what our options will be. Shrider stated she is currently shopping for insurance as it renews in November; will shop for private property insurance, however many private companies will no longer cover warps and piers due to past years of hurricane damage on the coast and Great Lakes damage due to low and high waters, they will do catastrophic or very limited property insurance instead.

Discussion and Action on Replacement of Electrical Pedestals on South Breakwall – Broberg stated there are three remaining pedestals on the south breakwall that are approximately 40 years and reviewed them with an electrical contractor which determined they need replacing; a quote for 3 EPD electrical interrupters will cost \$4,174.23; replacing them will bring the marina up to date. Baregi made a motion to accept the bid from International Dock Products, Inc. dated July 22, 2018 in the amount of \$4,174.23 and issue a purchase order to obtain the three pedestals and Suminski seconded the motion. Motion carried 5-0.

Update on Boat Ramp Project Electrical Fix/Action on Ground Fault Tripping Recommendation – Broberg reviewed the electrical issue and the cost for the guests in attendance and what needs to be done to bring the piers up to date. Shrider stated there will be a huge educational opportunity for marina operators and boaters on electrical safety aboard their boats concerning ground fault tripping.

Update on Coal Dock Sheetpile Project – Broberg stated the permitting process is going forward however the DNR stated we need a new underwater lease for the coal dock; the DNR recognized that the coal dock has been there a 100 years and will not stop the progress on the work that will be done this fall; but will need to have an underwater survey of the dock referencing back to the original lake survey done in 1856; surveyors were out there this week and did the survey of the dock and shoreline needed to satisfy the DNR for the new lease; the bore sampling was completed this week that was required before the final specifications can be put together to issue the bid. Broberg stated the bid will be issued in August with a September bid opening/awarding and the work will begin in October to hopefully be completed by the end of the year; the cost of 1.6 million which was used on the grant application was an estimate based on a survey done approximately 2 years ago so there will be many unknown to deal with; the Harbor Commission received 1.3 million from the grant and Harbor Commission believes they can handle the \$350,000.00 additional needed, barring any unknowns such as the price of steel. Broberg stated Bremer Bank has the lowest rate of 3.99% for a 10 year loan with a balloon offered among the financial institutions in the local area. Broberg stated a stipulation with the WI DOT grant is the coal dock must be used commercially for 25 years and it cannot be leased out, however we can sign non-exclusive use agreements for use of the dock. Broberg stated currently we have signed agreements with Nelson Construction and Pearl Beach Construction to use the coal dock this year and the Core of Engineers are interested in using the coal dock next year; Pearl Beach Construction, a Michigan based company, would like to set up a marine construction operation in Washburn and would use the coal dock on a long-term basis plus discussion is occurring to building a maintenance facility and office building near the marina which is an issue for the zoning and city council to resolve. Suminski made a motion to recommend to City Council to initiate discussion with Bremer Bank for a loan in the amount of approximately \$350,000.00 and Reiswig seconded. Motion carried 5-0.

Discussion and Action on Recommendation for Financing of Coal Dock Project – Discussion occurred in Update on Coal Dock Sheetpile Project.

Open Discussion with Boaters on Various Topics – No Action To Be Taken on This Discussion At This Meeting – Baregi made a motion to open the floor and Suminski seconded. Motion carried 5-0. Greg and Robin Gynnild, new owners of the two storage buildings at the marina, introduced themselves; they have been a slip owner for 13 years at the marina. Baregi moved to close the floor and Swedberg seconded. Motion carried 5-0.

Adjourn – Reiswig moved and Baregi seconded motion to adjourn. Motion carried 5-0 at 9:53 a.m.

Respectfully Submitted,
Kay Bratley, Deputy Clerk/Treasurer