**Bayport Marina Association**

**Board of Directors Meeting Minutes**

**August 18, 2021**

|  |  |  |  |
| --- | --- | --- | --- |
| **Member** | **Present** | **Remote** | **Absent** |
| Curt Gray (Commodore) |  x |  |  |
| Rachael Harvey (Vice Commodore) |  x |  |  |
| Meredith Pederson (Treasurer) |  x |  |  |
| John Gagich (Secretary) |  x |  |  |
| Bob Reilly (Chair) |  x |  |   |
| Jason Fabio (Chair) |  x |  |   |
| William Given (Chair) | x |  |   |
| Bryan Wilkinson (Chair) |  x |  |  |
| Erik Westgard (Chair) |  x |  |  |
|  |  |  |  |
| **BMA Staff/Guests** | **Present**  | **Remote** | **Absent** |
| Kori Derrick-Cisewski (General Manager) |  x |  |  |
| Ellsa Ohmann (Office Manager) |   |  | x |

**Business Meeting**

1. **Call to Order/Opening Comments**
2. The BMA board meeting was called to order at 6:34 pm by the Commodore, Curt Gray. It was confirmed that a quorum was in attendance for approval of business items.
3. Opening comments: Will start with Consent Agenda
4. **BMA 2021-2022 Board Agenda (Curt Gray)**
5. **Check-In** - A round table discussion and check-in conversation of what’s on everyone’s mind was conducted. No specific discussion recorded for this meeting. This was a pre Call to Order chat.
6. **Consent Agenda – discussion/approval:** July minutes, July financials and GM report
	1. Rachael – made a motion to approve Minutes and July financials, Meredith seconded – No discussion, Motion approved
	2. July Financials Recap

**Profit and Loss Budget vs Actual – November 2020 through July 2021**:

* Total Income: $1,742,886; up $213,130 vs budget; up $158,587 vs last year
* Total Expense: $1,505,507; down $188,810 vs budget; up $39,688 vs last year
* Net Income: $237,379; up $401,940 vs budget; up $118,899 vs last year

**Balance Sheet as of July 31, 2021**:

* Total assets: $5,852,914; up $461,765 vs last year
	+ Cash: $846,573
* Total liabilities: $343,571; down $128,194 vs last year
	+ BMRP loan balance is $308,354

**AR Aging Summary as of August 11, 2021:**

* Total A/R Balance: $215,297 (Assessments and final rent billed 8/1)
* Over 30 days A/R balance: $13,983
	1. GM report – Report provided as separate attachment.
		1. Proposed slip rental rates as identified in writing as attachment to agenda. Approximately rate per slip foot is going up close to 3%. Inflationary rate is up to 6%. What rate does the board want to set? Consideration is between 3-6%. Afton is staying at $195 per foot, Sunnyside is going to $205 per foot and Windmill at $180 per foot. For the 2021 season BMA is $210 per foot uncovered, $222-226 for covered. Kori proposing a $6 per foot change or 3% on sailboat rate. Bayport Marina owns 60 slips spread between power and sail slips. Discussion: consider how much we may want to raise rates. We may not want to price out of the market. It is a hot market; we should keep pace with other marinas. We should be either a leader or a follower. It is time to consider raising rates higher. Consideration with discussion on how to create a year by year index rate of increase as a standard.
		2. Motion made by Rachael: 4% increase in rental rate for 2022, seconded by Erik. Discussion: Meredith wants to keep at 3% to not price out members. Waiting list is shorter than last year. We may want to wait for further agenda discussion on Capital improvements. Curt agrees with Bryan to set a year over year rate index to have a steady climb to keep pace. Should we defer the motion after we discuss Capital Improvement projects. Rachael asked to defer the motion to later discussion.
		3. Resumption of original motion and discussion (post Capital Improvement discussion see below notes): Motion made by Rachael: 4% increase in rental rate for 2022, seconded by Erik. Discussion: We should look at market rate discussions to increase rental rates by a percentage rate based on demand, inflation rate and return to the marina. Motion put to vote: Motion Passed with one Nay and one Abstention.
1. **Capital Improvement (CI) Roadmap:** (see meeting document artifacts)
	* 1. Review “we are here” CI Priorities and Expenditures framework (Curt)
			1. CI’s – 6 candidates – Service expansion, Dredging, Landscaping, dock Ramp ADA Access, Clubhouse remodel, indoor storage facility
			2. Repairs and Maintenance
			3. Financing – Pay off BMRP loan
			4. Parking Lot
		2. Where are we aligned and not aligned on a list of prioritized CI initiatives? (all)
			1. CI’s – 6 candidates – Service expansion, Dredging, Landscaping, Dock Ramp ADA Access, Clubhouse remodel, Indoor storage facility
			2. All members in agreement. Aggressive list. We may want to prioritize and resource this list of initiative candidates each of which requires further vetting if it stays on the list. Will need to find stewardship circle leaders and resources to drive the vetting process for each CI initiative. If we cannot find leaders will need to move the CI initiative candidate to the parking lot for possible future consideration.
		3. Who will lead each stewardship circle initiative and when? Who else will participate? (all)
			1. Do all these warrant stewardships? We will want to identify volunteer leaders to support and drive initiatives. Does not have to be members of the board, we can find marina members who have the time, talent, passion and initiative to move the work forward.
			2. Establish Stewardship Circle for each CI.
			3. Each circle leader will bring status of the initiative to the board for review
		4. Proposed business case template to define, scope, size/cost, recommendations for each initiative (Bryan)
			1. Kori and Bryan to provide support for each initiative circle.
				1. Bryan will provide business case analytical support across initiatives
				2. Kori to provide GM support and management perspective across all initiatives
			2. Service Expansion Stewardship Circle – Bob Reilly and Rachel Harvey to co-lead, members Bill Given, BMS Service/Refinishing/Canvas team, Bayport City Administrators (Adam/Sarah). Bob knows Service West company to provide building and materials to Service Expansion. Mike McGrath may also be a good member to help. Decision: Board agrees to form this initiative stewardship circle and start researching.
			3. Dredging Stewardship Circle – Kori to lead this effort. Members suggested – Dave Scheuerman– Dockmaster, other marina GM’s, DNR and Army Corps of Engineers. A/B dock at turn is a low spot of concern. Perhaps we look within our marina and a broader collective dredging effort along the St. Croix River with other marinas. Board agrees to have Kori start researching this initiative.
			4. Landscaping Stewardship Circle: Leader –Meredith Pedersen and possibly a co-leader TBD . Other possible members were discussed including Eric Pedersen, Val Fuller, Brien Slawik, Marcus Gernes, Jason Longnecker, Pamela Brown and/or Gary Dreher. Discussion: Bob identified that Ash Tree Borer issue is a problem, dead trees need to be removed and replaced. The borer can jump to other tree species. 70% of our trees need to be replaced. Board agrees to form this initiative stewardship circle and Meredith to start researching.
			5. Dock Ramp ADA Access Stewardship Circle – Leader – possibly Eric Pedersen? Cliff Lewis (Let’s go fishing) might be another potential resource. A focus is to put ramp access on A/B ramp on marina property and possibly for C/D docks. Others: Bob Schroeder may also be a resource. Board agrees to form this stewardship circle initiative and Meredith will approach Eric to consider leading it.
			6. Clubhouse Remodel Stewardship Circle: Leader Jason Fabio, and we could possibly approach Val Fuller, Vicki and Russell Shaeffer, Bob Schroeder and others to assess their interest in serving. Other interested partners might include Boat Doctor, Marine Max and the Bayport City Administrators Adam/Sarah. John and Nancy Gagich are also interested in serving. Scope may include ADA for clubhouse and bathrooms, kitchen interfacing with clubhouse. Possible second story. Board agrees to form this stewardship circle initiative and Jason to start researching.
			7. Indoor storage facility: Board agreed to put on the parking lot list at this time.
		5. Bryan Wilkinson – walked the board through the Business Case overview ideally to be used for each initiative - see PowerPoint.
			1. How to use Business Case – Visual of business case output. Metrics, payback of investment. Financial and Non-financial considerations.
			2. Steps – 10 steps in business case model
				1. Define approach – Objectives, assumptions, time frame model
				2. Document as-is or baseline costs – growth, depreciation, deferred income/expenses, change in receivables, inventory or other assets
				3. Document what will happen if project proceeds – what assumptions and drivers exist now and future
				4. Calculate cash flows
				5. Document investment – required for each year of the project
				6. Calculate net financial impact or differential of cash flows and investments
				7. Perform Scenario analysis
				8. Use Sensitivity analysis – if assumptions change
				9. Determine how non-financial benefits impact the business case
				10. Summarize the business case to make it easy to understand
2. **Additional CI Candidate, Financing & ‘Parking Lot’ Items Discussion:**
	* 1. Discuss the possible addition of a long dock paralleling the rock break water wall at south end of docks A & B just east of marina entrance/exit to the CI initiatives list (Bob)
			1. Will keep this item on the parking lot at this time, Bob agreed that deferring this is the right action for now
		2. Discuss paying off the BMRP loan in 2021 with cash on hand (Erik)
			1. Possible cost savings in other areas. Interest rate savings. Projected early payoff date is 2024. Defer this discussion post planning in conjunction with CI Initiative Stewardship Circle business case analysis
			2. Member impact to member assessment rates
			3. We should come back to this for future discussion
			4. Will keep this item on the Parking lot at this time.
		3. EV Charging station – parking lot
			1. Will keep this item on the Parking lot at this time.
3. **BMA Mission/Values Thought Work:**
4. Thought work review (Meredith/Erik)
	1. Additional proposed thought work statements were added for consideration as values
5. Discussion and next steps (all)
	1. None at this time. Agreed to defer further discussion until a future meeting
6. **Other Business**
7. Debrief board on the possibility BMA friendly private investors to tackle the restaurant property redevelopment project if that should re-appear on the horizon (Erik)
	1. Brien Slawik, is willing to lead a set of investors to possibly approach owners
8. What dialogue do we want with past commodores during the 8/23 dinner meeting? (all)
	1. Meeting with Commodores on 8/23
	2. Agenda item: Take them through CI in scope for this Board year (5 identifiable CIs). Look for alignment. Will use a modified version of this PowerPoint deck.
9. Other? (anyone)
	1. BMA Expansion (Rachel) – reviewed map of available marina property – discussion on potential areas on property for expansion.
10. **Next Board meeting, Thursday, September 16th – meetings changed to 3rd Thursday of each month.**
11. **Executive Session** (if needed) – not needed
12. **Adjourn – 8:42 PM.**