**Bayport Marina Association**

**Board of Directors Meeting Minutes**

**March 30, 2022**

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| --- | --- | --- | --- |
| **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 |
| Eric Pedersen (Dock Access SC Chair) |  |  | x |

**Business Meeting**

1. **Call to Order/Opening Comments/Check-in**
2. The BMA (Zoom) 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 Check-in then Consent Agenda. 18 days to projected launch date. Announcement: Bill Given is this year’s King Boreas with the St. Paul Winter Carnival.
4. Check-In - A round table discussion and check-in conversation of what is on everyone’s mind was conducted. No specific discussion recorded for this meeting.
5. **Consent Agenda – discussion/approval: January minutes, January financials and GM Report**
6. Rachael – made a motion to approve January Minutes and Financials, Meredith seconded – No discussion, Motion approved and carried.
7. **CI Stewardship Circle Report-Outs:**

Curt facilitated report-outs with the board members, inviting each Stewardship Circle leader to provide an update. See below.

* 1. **Service Expansion** (Rachael & Bob)
     1. Kori – has been in contact with an alternative company to work on a bid to do a land survey Eagan, Field and Nowak. We are still waiting on the estimate from Cornerstone Surveyors. Once a firm is chosen and the survey is complete it will be presented to the City of Bayport for review. Following approvals from the City, the stewardship circle will work on getting one to two more bids from contractors for the work.
     2. Discussion: Kori is keeping an eye on interest rates and impacts to materials. Bill advised that the board should take a more prudent action based on economic conditions of this time. Jason offered that we should continue due diligence on obtaining costs and strategy but not to be in a rush to decision. Curt identified that the Board would need to ratify and vote on decision moving forward at a later date. Rachael stated that it may take 3-4 months to present and gain necessary approvals through the City of Bayport. Bryan stated that we will need to take a look at the proforma model, interest rates and underlying revenue and expense plans to see if the plan will yield the expected return on investment. We will need to continue to assess key metrics of the model and to take into effect the lead time. Curt asked if we should we consider locking in on an interest rate? Kori stated that the bank may not hold rates beyond six months and will check with the bank. Curt indicated that we may be in a holding pattern until all stages of planning are completed.

* 1. **Dredging** (Kori)
     1. Kori is checking regularly with the NOAA website to see if the water levels will shift in our favor. Kori to get an estimate to possibly conduct a hydrology survey depending upon cost and seasonal water levels.
  2. **Landscaping** (Meredith) – a reminder that this is repair and maintenance initiative not a capital improvement initiative.
     1. Kori – Three companies have submitted proposals with bids: Buell’s (cannot cover scope of project and was eliminated). LADC, and CCB/WBLS (Custom Craft Builders/White Bear Lawn and Snow) were the comparative proposals. Landscaping Circle is recommending CCB/WBLS, at an estimated $900,000 over a nine-year period. CCB/WBLS provided a bigger scope of work, estimate came in lower with comprehensive services, including shrubbery, mulched area in additional to tree removal and planting. 90% of our trees need to be removed due to disease or damage. CCB/WBLS has a relationship with the DNR and has ability to provide services up to $100,000 per year to be in alignment with our annual budget.
     2. Motion: was made to authorize Kori to work with CCB/WBLS to establish a 2-year contract capped at $200,000 ($100,000 spread over FY 2022 and FY2023) and charged against marina repairs and maintenance. Erik provided motion and was seconded by Jason, Limited discussion for clarification by BOD, Motion approved and carried.
  3. **Dock Ramp/ADA Access** (Eric Pederson)
     1. Kori on behalf of Eric Pederson - we are waiting on a concept drawing from River City Welding, the same contractor that did docks at Prescott and Stillwater. Kori stated that verbal cost estate we were given was in area of $26,000. We have also reached out to Marine Innovations Inc., to see what our options/costs would be for a tram-style system for near the fuel dock. Our estimated range for this project is up to $30,000 for each ramp access.
     2. Discussion: Meredith, are we able to get ADA funding? Kori stated no. A “BIG Grant” was another funding area being explored. Kori stated that $30,000 is our range amount for bids to start installation of one initial ADA compliant dock access ramp this season.
  4. **Clubhouse Remodel** (Jason)
     1. Jason – no major updates at this time. We have our first concept drawing available. We are holding off on any exploration of a second level remodel at this time. We have communicated with our stewardship circle that we are in a holding pattern based on timing and priority higher tiered projects. We will explore putting up poster board plans to show membership progress at beginning of boating season, perhaps to display at the June meeting. Idea was raised to have a donuts and coffee session to field any member questions about the concept. Jason wants BOD to set direction on moving forward but will slow down this process at this time.
     2. Discussion: Erik would like to get this information out to membership soon and to demonstrate the model and proposal to bring this process along. Suggestion was to ask Jason to create a story board to help to sell this project. Jason may want to hire a designer to render drawings or electronic media to help with this promotion and get membership excited. Kori agrees that this will help gain understanding and traction with the membership. Bill likes the idea of starting this process to showcase yet another improvement initiative that the BOD has been working on.
     3. Rachael - noted a possible concern raised by the City of Bayport about the impervious surface of our property to do any expansion of the clubhouse and/or service building. The reason why a survey will be needed to determine if we meet the code requirements regarding the impervious surface area on our property. Rachael will also explore checking with the railroad to see if the railroad property is available for purchase to support the enablement of our expansion capabilities.
     4. Definition: impervious surface area tabulation for entire parcel (applies to all hardcover surfaces, buildings and structures, etc.)

1. **Anchoring our Work** (Curt)
   1. Curt – Reviewed the recent member survey presentation deck on what members stated that they most value about BMA. Curt also reviewed the historical “Potential uses of Cash slide from earlier FY 22 board meetings: CI’s, repairs and maintenance, financing and parking lot wish lists he noted that this and future boards need to take these “What We Value” statements and “Potential Uses of Cash” into consideration as anchor points when making decisions about material capital investments. He also noted that these frameworks are important elements in framing the story around the various improvement initiatives being implemented and considered in order to be fully transparent with our member and bring them along.
2. **Portfolio View** (Curt)
   1. Review of initiatives, timing and cost
   2. What can we afford with surplus cash flow?
   3. What accumulated view of initiatives can we work on with available cash over time
   4. Preferred Plan scenario and Balanced Budget scenarios were reviewed (Bryan and Kori)
      1. Mapped out what Circle leaders provided in estimated cost
      2. View of portfolio mix and walkthrough of financial picture (spreadsheet)
      3. Walked through a detailed review of a Balanced Budget scenario plan (spreadsheet)
3. **Motions for FY22 Planning**
   1. Motion was made to authorize Kori to move $300,000 from cash in our checking account to our “rainy day fund” reserve account and to work with the bank to set an unsecured LOC of $400,000. The current reserve fund balance is just over $100K. These two reserve funding actions will provide for about six months’ worth of keep-the-lights on funding should a material economic downturn occur, or in case a significant unplanned for expenditure requires funding. Erik made motion and Jason seconded. No discussion, Motion approved and carried. Kori was also asked to begin working with our bank to draft a debt policy for BMA.
   2. Motion was made to authorize Kori to spend up to $30,000 to move forward with one Dock ramp access project this fiscal year. Bill made motion, Meredith seconded. No discussion, Motion approved and carried.
4. **Other Business**
   1. Next Board meeting April 21st, 6:30 pm
   2. Board Candidate Search – discussion was had for BOD candidate search.
5. **Executive Session** (if needed) – Not needed.
6. **Adjournment – 8:36 PM.**

**Addendum 1**

**General Manager Report – March 30, 2022, Board Meeting**

**Report Published: 3/23/2022**

**BMA Staff**

* As noted in an email from 3/21, Allan Pfromm, canvas fabricator, is no longer employed at BMA due to product quality issues. We posted the open position today to seek a replacement.
* The staff is loving the warmer temperatures we were having and that has allowed for more outside work for some departments.
* We are starting to see more activity now that we released the launch schedule – 26 days!

**BMA Financials**

**Profit and Loss Budget vs Actual – February 2022**:

* Total Income: $924,407; up $59,805 vs budget; up $90,867 vs last year
* Total Expense: $641,545; down $188,534 vs budget, up $70,954 vs last year
* Net Ordinary Income: $283,738; up $248,339 vs budget; up $19,913 vs last year

o Balance of CI Budget remaining for FY: $49,232

**Balance Sheet as of February 2022**:

* Total assets: $6,046,253; up $100,790 vs last year
  + Cash: $1,035,977
* Total liabilities: $291744; down $94,136 vs last year
  + BMRP loan balance is $224,098

**AR Aging Summary as of March 22, 2022:**

* Total A/R Balance: $63,696
* Over 30 days A/R balance: $21,157
* Of the more than 61 days, there is only one boater who is delinquent and has not been added to the launch schedule until they paid – No Cash, No Splash!

**Operations**

* Lots of pre-season activity for all staff!
* With warmer temperatures last week, some of the staff have been able to transition to outside work. As of Monday, 3/21 we brought in our last LARGE bottom job requiring all four techs for three weeks.
* As noted last month, due to over booking and now the vacancy in the canvas department, some of the scheduled off-season work will transition to in-season work. However, all customers have been communicated to (or Canvas customers will be ASAP as we evaluate).
* The necessary repairs and improvements to the Gin Pole have been made. Our equipment that we rented for siding would not reach it; therefore, we hired a crane to remove it and the repairs are being made while it is down in our parking lot.
* Fuel Dock training is schedule for April 16, we will have a total of 14 staff members, three new.
* New service/refinishing/canvas rates will be effective as of April 1: Members = $115/hr., up from $110, Non-members = $125/hr. up from $120. This is the same percentage increase as 2022 slip rates, and this is the first rate increase since sometime between 2008 to 2011 (before my time and before our POS records).

**Thought Work/Decisions**

* None at this time.