

PIERS, HARBORS & LAKEFRONT COMMITTEE
THURSDAY, JUNE 25, 2015 AT 6:00 P.M.
CITY HALL, CONFERENCE ROOM 2A

The meeting was called to order by Chairman Wall at 6:00 p.m.

Roll Call. Present: Aldermen Hedlund, Wall, Kordus, Chappell and Hill. Also Present: City Administrator Oborn, City Attorney Draper and Harbormaster Gray

Approval of Minutes from March 26, 2015 as distributed.

Kordus/Hedlund motion to approve. Motion carried unanimously.

Kordus/Chappell motion to suspend the rules and move up agenda item #9. Motion carried unanimously.

Follow up discussion regarding Riviera Tenant disputes and update on lease agreement

City Attorney Draper asked that this be put on the agenda to clarify the situation. There have been a number of disputes down at the Riviera. Mr. Draper has had discussions with Del Carlson's attorney, who would like to schedule a meeting with the City Administrator and Mr. Draper. Mr. Draper feels the Chair of the Piers and Harbors Committee should be present as well. Mr. Draper stated that there was an assignment of the lease from Del Carlson to her daughters. It was understood that Del Carlson would no longer be running the operations down at the store. It is Mr. Draper's understanding that she has not, however there have been some emergency situations where she has had to be down there. It is not that Ms. Carlson cannot be down there; it is that she should not be running the day to day operations of the business. Mr. Draper would like to have the meeting to get the situation worked out so numerous complaints are not coming in on a regular basis. Alderman Hill asked if the leases have been reassigned and Mr. Draper confirmed that they have been reassigned into the daughter's names. Mr. Draper would like to speak with their attorney and reiterate to them what the agreement was and what is at stake to come to some sort of resolution to the matter.

Ms. Hill asked if there was a written agreement. Mr. Draper stated that the only written agreement was that Ms. Carlson would assign her leases to the daughters and the daughters would run the operations. He stated that there was never a court order or restraining order, which was not the intention. The goal was to have an amicable situation. Mr. Draper explained that this was to alleviate the tensions down at the Riviera. All the leases are coming up next year, so the committee needs to look at the situation and figure out what they want to do to resolve it. He stated it is not a situation of people not liking one another; it is allegations of people doing bad things to one another. This issue has not been resolved yet, but he is working to resolve it.

Comments from the public limited to 5 minutes.

Elizabeth Dazzo, Owner of Del Sol, explained a number of issues she is dealing with at the Riviera with regard to parking and tenants including other tenants putting items in the walkway. She had reached out to the City in the past and doesn't feel that the situations were ever resolved.

Mike McHale, member of Nina's Popcorn in the Riviera, expressed his frustration with another business located in the Riviera. He feels that the good neighbor policy is not being followed.

Madison Scolley, employee of KC Enterprises, stated that the tenant problems have been going on for years. She feels that the good neighbor policy is not being followed as well.

Sol Kaniuk, Owner of Creative Glass Blowing, questioned what "banned" meant with regard to this situation. He aired a number of grievances he had regarding the tenant situation.

Beverly Leonard explained the need for additional paddle board and kayak racks. She stated that they had been approved 2 years ago to build additional racks.

Del Carlson, Owner of The Kandy Kove, also explained a number of the issues she is having down at the Riviera and disbursed documents and pictures.

Therese Poetzinger, Owner of Nina's Popcorn, gave a history of her space and the problems she has had with another tenant in the Riviera.

Sarah Hill, 1024 George St, stated that she is displeased with the entire conversation regarding the Riviera business tenants and that all are at risk of losing their leases if the issues continue.

Harbormaster's Report

Harbormaster Chuck Gray stated that all buoy, slips and racks are rented. He did not have to go to the non-resident list to fill those spaces. He also notified the committee that every Friday and Saturday is rented out from now until December at the Riviera for weddings and events. In 2016, all the Saturdays from April to November are rented and all of the Fridays in May and June. They are already reserving dates in June of 2017. Alderman Hill asked if it is anticipated that there will be step increases in rental rates. Mr. Gray stated that the people that are booked now will be grandfathered to the current rate. If the rate changes, everything from that point on would be charged at the new rate. Alderman Hedlund was confused on how parties can be grandfathered in. Alderman Wall asked if a rate increase should be discussed at a future meeting. Mr. Hedlund felt the topic should be addressed. Alderman Chappell asked how many 2017 events have already been booked. Mr. Gray responded there are 7 or 8. City Administrator Oborn asked if the fees are paid 30 days before the event. Mr. Gray confirmed that the fees are due 30 days before the event. Mr. Gray stated that the rates should be taken out of the packet that is handed out. Mr. Hedlund explained that they should put a security deposit down and can be charged off of the schedule of fees 30 days prior to the event. Mr. Gray noted that the last rate increase was in 2008 and explained, at that time, the rate doubled. Mr. Wall stated that a rate comparison was completed and the City is competitively priced.

Beachmaster's Report

Harbormaster Gray stated the total income for the beach through Sunday (June 21, 2015) was \$37,800 compared to last year which was \$51,500 and in 2012 it was \$103,700. This year's income is just above the median of the last 15 years. There has been rain for one third of the beach days this year, which looks like it is going to continue. The boat launch income is \$6,700 to this point which is very close to last year's figures. Alderman Chappell asked if we have seen figures for the beach passes and what that has brought in. Mr. Gray stated that he did not have those figures at this time. Alderman Hill asked who normally gives the Beachmaster's Report. Mr. Gray clarified that George Steffen occasionally does. Ms. Hill questioned what the employees do now that there are kiosks for the day passes. Mr. Gray stated there is a person at the beach that is available to help the visitors. He also notified the committee that there is a gate that is stuck in the up position that covers up the soda machines. The Street Department has looked into it and has ordered a new gate.

Discussion/Recommendation on installation of additional racks near the west end pier for non-motorized floatable devices

City Administrator Oborn explained that he took a tour with Harbormaster Gray. He recommends adding two new stalls which should hold 12 items. It should be done on an integrated basis where the paddle board and kayak list is combined and uses the dates for an order of availability. Alderman Hill asked if the racks have to be designed differently for kayaks versus paddle boards. Mr. Oborn stated the kayaks are a little wider but could do something in between so it could hold either. Upon approval, they would put two in and prorate the payment. Mr. Gray stated that last year 6 dropped off. Alderman Kordus asked if the cost for the racks would come out of the rental portion of the pier lake front fund. Mr. Gray stated Public Works would be building them so it would be a minimal cost.

Hill/Chappell motion to recommend installation of two additional non-motorized racks at the west end pier. Motion carried unanimously.

Discussion/Recommendation on pier maintenance, installation and removal

City Administrator Oborn stated there was discussion on the installation. Last time a bid was taken out was in 2009 for 2010, 2011 and 2012. Mr. Oborn explained the installation and removal of the docks is budgeted at \$38,000 for pier maintenance contract and \$8,000 for repairs. The bill for this year's installation was \$17,000. The previous amount was \$25,379 for maintenance. Alderman Chappell asked how long a bid can be open for. Mr. Oborn stated that typically it is about a month.

Kordus/Hill motion to review the contract and expiration; and if there is no contract put the pier maintenance, installation and removal out for bid for 2016.

Kordus offered an amendment to the motion to include any maintenance over \$3,000. Alderman Hill stated the procurement policy should tell them what needs to go out for bid and what doesn't. Harbormaster Gray stated generally when Gage removes the piers in the fall; they put together a proposal of things that need to be repaired for the next season. The proposal then goes to the City Administrator. Mr. Oborn stated they are already over budget as \$8,000 was budgeted and they spent \$25,000. Motion carried unanimously.

Discussion of agenda items for next meeting

Alderman Chappell asked to speak about putting signage at the west pier that dogs must remain on leashes. City Administrator Oborn added rates for the Riviera.

Adjournment

Kordus/Hill motion to adjourn at 6:50 p.m. Motion carried unanimously.

/s/ Stephanie Gunderson, Assistant City Clerk

**THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED
BY THE PIERS, HARBORS AND LAKEFRONT COMMITTEE**