PORT & RESOURCE RECOVERY DEPARTMENT

Brown County

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DEAN R. HAEN
DIRECTOR

PROCEEDINGS OF THE BROWN COUNTY HARBOR COMMISSION

A meeting was held on **Monday, February 15th, 2016**
Port & Resource Recovery Department 2561 S. Broadway, Green Bay, WI 54304

1) The meeting was officially called to order by President Tom Klimek at 10:30 am.

2) Roll Call:

Present:	President Tom Klimek Commissioner Bernie Erickson Commissioner Hank Wallace Commissioner Tim Feldhausen Commissioner Mike Vizer Commissioner Ron Antonneau Commissioner Ngosong Fonkem
Excused:	Vice President Bryan Hyska Commissioner John Hanitz
Also Present:	Dean Haen, Brown County P&RR Mark Walter, Brown County P&RR Shelby Schraufnagel, Brown County P&RR Jim & Sylvia Graefe, Residents

3) Approval/Modification – *Meeting Agenda*

A motion to approve the agenda was made by Mike Vizer and seconded by Hank Wallace. Unanimously approved.

4) Approval/Modification – December 14th, *2015 Meeting Minutes*

A motion to approve the minutes of December 14th, 2015 was made by Bernie Erickson and seconded by Tim Feldhausen. Unanimously approved.

5) Announcements/Communication

New Commissioner Introduction. Ngosong Fonkem explained that he received his MBA and Law Degree in West Virginia and a Masters in Law in Shipping from Tulane University. He then

moved to Asia to teach law and worked for a French energy company. Mr. Fonkem recently moved back to Wisconsin and is excited to be of service to the community.

Commissioner Erickson pointed out that the verbiage for the memorial plaque was approved by Chet McDonald.

Mr. Haen explained that the Port display in the Northern Building will need to be updated.

6) Fox River Environmental Clean-Up Project – *Public Comments/Update on Standing Item*

Mr. Haen explained that the Fox River Environmental Clean-Up Project will be starting again in four to six weeks. The project has one year of dredging and two years of capping left.

A comment from the public was made by Jim Graefe inquiring about the pile of material that the dredging project has sitting by the GP plant. Mr. Haen explained that the pile is probably sand from the dredging project to be beneficially reused or sand that they are bringing in for use as capping material. He did add that the project was dredging RGL Holding's dockwall and it could be the material that is coming out of there as well.

Commissioner Wallace asked what is taking place on the issues with capping. Mr. Haen explained that last year the Corps successfully dredged over the I-43 petroleum pipeline. A communication was sent to the DNR, EPA and the Project explaining that if the Corps is able to successfully dredge over pipelines, then the Project should also be able to dredge and not cap over utility crossings. There has been no response from the DNR or EPA. Commissioner Wallace also asked what is happening with individual challenges with docks. Mr. Haen explained that RGL Holdings is getting a new dockwall installed by the Project. The Project says that they may remove the dockwall when the dredging is complete. Mr. Haen communicated that the project will not actually do that and RGL Holdings will end up with improvements on their facility. The project has helped RGL Holdings make their property viable again.

Commissioner Vizer commented on the RGL Holdings situation and on the negative press that the Port received on the St. Marys barge sitting at KK Warehousing near the Walnut Street Bridge. RGL Holdings informed St. Marys that the barge would not be able to return to RGL Holdings slip. . Commissioner Vizer is in the process of looking for a new location for the barge to sit and asked for any advice on where it could possibly be kept. Mr. Haen added that St. Marys would like to limit the number of times the barge will need to be moved. Commissioner Vizer added that it costs $20,000 to be moved. Right now there are a few preliminary options for where this barge could be moved to in Green Bay.

Commissioner Erickson asked if the barge is being used. Commissioner Vizer explained that the barge is a floating asset. Commissioner Erickson advised that the slip south of Wisconsin Public Service might be available. The slip has been boarded off for several years and dredging might need to be done.

Commissioner Klimek asked if moving the barge to Oconto or Sturgeon Bay would be too far. If it is only a depth of 8 feet that the barge needs Oconto could be a good option. K&K Integrated in Marinette might have available space since they have gotten rid of the old car ferry. Mr. Haen added that Escanaba has a lot of unused dockwall space.

Commissioner Antonneau asked what the long term plan is for the barge. Commissioner Vizer responded that St Marys corporate office is not giving that information out. He added that it is an

asset that is being kept in case one of the two ships that St. Marys operates stops working. The barge then can take over and the company won't be out of the market.

7) 2015 Annual Report – *Request for Approval*

Mr. Haen explained that in 2015, 1.9 million tons of cargo was brought through the Port of Green Bay. This was an overall decrease of 14% when compared to 2014. In 2014, the shipping season brought in the most tonnage since 2007 making it a really good year. Anytime cargo is around 2 million tons, then the port and economy in Green Bay/Northeastern Wisconsin is doing well. An interesting statistic to point out is that even though there was a 14% decrease in cargo moved, there was a 26% decrease in the number of ships that traveled through the port. With water levels being higher, ships are able to carry more tonnage per load; therefore, fewer ships are needed. The 2015 season started earlier and ended significantly later. The last ship arrived January 15th, 2016 and did not leave until the 23rd. Mr. Haen predicts that the season will start early in 2016 due to a mild winter. Cement will be one of the first commodities to arrive due to limited storage. Mr. Haen believes that this year may see another decrease in tonnage. Commissioner Klimek added that cargo moved by rail is down as well.

Commissioner Vizer commented that the Portland Cement Association (PCA) predicted an 8% increase nationwide in cement sales. While homebuilding is generally 12-15% of sales there is a lot of construction and farm work to be done.

Mr. Haen stated that an economic impact study will be conducted in 2016 using 2015 numbers. The last economic impact study was conducted in 2010. He also went on to explain the 2015 goals and whether or not these were completed or still in progress. This includes work with the strategic plan, beneficial dredge material, Fox River Clean-Up Project, Cat Island Chain, and the Renard Island easement and lakebed.

Commissioner Antonneau advised that Mr. Haen interact with WMC, they have been doing a lot with import and export with the state of Wisconsin and could be a potential resource. Mr. Haen stated that he has been working and educating Jason Culotta, from WMC, on the port business. Mr. Culotta could be a resource with his list of memberships in regards to commodities including fertilizer movement in the port.

Mr. Haen went on to explain 2016 work items that staff will be working on. These include moving containers through the port, liner service, marketing Bylsby, closing out the Cat Island project, taking ownership transfer of Renard Island, etc.

Commissioner Klimek asked if the Economic Impact Study would be done in-house. Mr. Haen explained that all of the port entities and businesses on the Great Lakes are pitching in to have the economic impact study done by Martin Associates. For $10,000, the Port of Green Bay can pay to have individual economic impact study conducted as part of the larger project.

A motion to approve the Annual Report was made by Ron Antonneau and seconded by Bernie Erickson. Unanimously approved.

8) WDOT Harbor Assistance Program Statement of Intentions – *Request for Approval*

Mr. Haen explained that the Statement of Intentions (SOIs) is an annual effort; it is a list of submittals for potential grants. Some of the projects have been submitted for over 10 years in a

row. RGL Holdings is submitting a new request for $1 million to get their new dockwall fully functional. Mr. Walter will help to find them business when their port facility is available.

Commissioner Antonneau advised Mr. Haen to write a letter in regards to the SOIs to heighten their importance. This letter should be signed by Mr. Haen, Commissioner Klimek, County Executive, oversight committee Chairman Bernie Erickson, and County Board Chairman Patrick Moynihan. The following names should be carbon copied: Senators Lasee, Cowles and Hansen and every assembly person in those three senate districts.

A motion to approve the WDOT Harbor Assistance Program Statement of Intentions was made by Hank Wallace and seconded by Ron Antonneau. Unanimously approved.

9) Corps Final Accounting for the Cat Island Project - *Update*

Mr. Haen explained that a Project Partnership Agreement (PPA) was signed with the Army Corps of Engineers to build Cat Island. The project came in under budget and well ahead of schedule. The Corps has been touting the project nationally as a way to do business moving forward with great economic and environmental benefits. A letter was received from the Corps a week ago stating that $400,000 contributed by the County to the project is not eligible for reimbursement. Instead of trying to work out the situation together, the Corps sent this formal letter and will likely not budge on their stance. Mr. Haen responded to the Corps that they served as the project manager and they allowed the County to contribute $400,000 above and beyond our share of 25% of the project costs. Mr. Haen also referenced the PPA has reimbursement provision and has requested reimbursement. Mr. Haen spoke personally with several key Corps district and division personnel explaining that this is a Corps problem that needs to be resolved. Mr. Haen will also be in communication and will be visiting with Congressional offices. A letter was written to the Corps with federal legislators carbon copied regarding this issue; legislators are now waiting in the back if Mr. Haen needs their assistance. . Two solutions seem to be present; the Corps can either write a check to the Port of Green Bay for $400,000 or reduce the amount due by $400,000 as part of the 10% cash payment owed to the Corps. Commissioner Feldhausen stated if unresolved, send the Corps the remaining 10% cash payment less the $400,000 as payment in full.

Mr. Haen reminded the Commissioners that the Amendment #1 of PPA approved by the commission and signed by the County Executive was return by the Corps because of a minor change. The Amendment may serve as a mechanism to resolve the situation.

The Commissioners commended Mr. Haen on his fast turn around and quick communication with federal legislators.

10) Property Acquisition Plan - *Update*

Mr. Haen explained both the Annual Report and the 5-year Strategic Plan identify development of a property acquisition plan this year. The port has roughly $2 million potentially available for property acquisition purposes. Any investment of these funds would need the security of sufficient revenue generation to accumulate funds for the next potential purchase. If land is chosen that does not create sufficient revenue the fund would be exhausted and the opportunity lost. A property acquisition plan created by this commission will lay the foundation and understanding of the use of money and strategies for future commissions to determine the facilities and locations that should be looked at to know the property meets the criteria.

Commissioner Fonkem reached out to Mr. Haen noting his interest in leading this group; Commissioner Wallace volunteered to help as well.

Commissioner Klimek suggested that a meeting be held to start gathering potential locations.

11) 2015 Public Communication Outreach Report – *Update*

Mr. Haen explained that Leonard and Finco put together an outreach report for Port communications. In 2015, the Port was in print or online 153 times and on television 36 times. The budget for public relations outreach effort is $35,000. The real value of the Port being in the news is equivalent to $410,000 of outreach value.

12) Director's Report – Update

Mr. Haen explained that last year the WDOT held a public meeting regarding installing remote bridge operating equipment in Green Bay. The DOT applied to the Coast Guard and approval was denied. As part of the Metropolitan Planning Organization responsibilities, the County Planning Department had a public hearing at the request of WDOT for US DOT funding. Mr. Haen provided public comment in this session. The Port provided written testimony neither in favor nor against the technology, but that sole authority rests with the US Coast Guard. Without US Coast Guard approval public money has been wasted. At this time, nowhere in the country is a commercial port operated with remote bridges. Commissioner Erickson suggested that if the PD&T minutes make it into the next County Board agenda the County Board has the opportunity to not approve their minutes and stop forward progress of remote bridges.

The Port of Green Bay was awarded $4.1 million from the President's Budget for Dredging in 2017. This is $1.6M more than expected.

Mr. Haen explained pilotage was discussed at great length at the Conference in Cleveland. Both sides of the issue are prepared to sue the Coast Guard.

The dedication signs have been ordered and a date will be set for a dedication ceremony in April or May.

Mr. Haen explained the Maritime Strategy from the Council of Great Lakes Governors. The Governors from the Great Lakes states and two Canadian Provinces Premiers put the document together. It is a broad document with little detail, but hold great promise, in that the states will become more involved in port-related economic development. Mr. Haen commends the document. The issue will be how to implement their suggestions.

Next week Mr. Haen will be in Washington D.C. speaking with our federal legislators about Cat Island and federal policy positions from AGLP. Commissioner Antonneau requested that Mr. Haen discuss with legislators the issue on exporting water from the Great Lakes. He also suggested that a statement should be put together regarding the Harbor Assistance Program (HAP). He added that a letter regarding the HAP should be signed by Mr. Haen, Commissioner Klimek, the County Executive, oversight committee Chairman Bernie Erickson, and County Board Chairman Patrick Moynihan. The following should be carbon copied: Senators Lasee, Cowles and Hansen and every assembly person in those three senate districts to be more proactive on this issue.

Commissioner Feldhausen added that the compact situation will continue to resurface as water in the west decreases. Commission Klimek added that discussions are happening regarding moving water by tank car to the west.

13) Audit of Bills – *Request for Approval*

A motion to approve the audit of bills was made by Ron Antonneau and seconded by Mike Vizer. Unanimously approved.

14) Tonnage Report – *Request for Approval*

A motion to approve the tonnage report was made by Tim Feldhausen and seconded by Ron Antonneau. Unanimously approved.

15) Such Other Matters as Authorized by Law

There are no other matters as authorized by law.

16) Adjourn

A motion to adjourn the Harbor Commission meeting at 11:43 am was made by Hank Wallace and seconded by Ron Antonneau. Unanimously approved.

Tom Klimek, President
Harbor Commission

Dean R. Haen, Director
Port & Resource Recovery Department