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, July 18th, 2016**
Jack Day Center 90 Bay Beach Road, Green Bay, WI 54302

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

2) Roll Call:

Present:
Vice President Bryan Hyska
Commissioner Bernie Erickson
Commissioner Hank Wallace
Commissioner Mike Vizer
Commissioner Peter Zaehringer
Commissioner Ngosong Fonkem
Commissioner Ron Antonneau

Excused:
President Tom Klimek
Commissioner Tim Feldhausen

Also Present:
Dean Haen, Brown County P&RR
Mark Walter, Brown County P&RR
Shelby Schraufnagel, Brown County P&RR
Jim & Sylvia Graefe
Karl Mueller, GLC Minerals, LLC
Holly Bellmund, GLC Minerals, LLC
Beth Olson, WDNR
Randy Siewert, RGL Holdings
Richard Feeney, Tetra Tech
Troy Gawronski, Foth

3) Approval/Modification – *Meeting Agenda*

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

4) Approval/Modification – May 9th, *2016 Meeting Minutes*

A motion to approve the minutes of May 9th, 2016 was made by Mike Vizer and seconded by Hank Wallace. Unanimously approved.

5) Announcements/Communication

No announcements were made.

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

Mr. Feeney from Tetra Tech stated that dredging will not be completed this year. In 2017 dredging will continue past I-43. It is unsure if capping will be completed in 2017 as planned.

7) 2017 Budget – *Request for Approval*

Mr. Haen explained the Port's portion of the Port & Resource Recovery budget to the Harbor Commissioners. The big item under the Port budget is to close out the Cat Island Chain project with the Wisconsin Department of Transportation (WDOT), as well as completing ownership transfer on Renard Island and looking into its end use. In the 2016 budget, money was set aside for the Port to have an economic impact study done with the other Great Lakes ports. Due to the increase coordination resulting from changes in f federal Canadian funding the entire study has been moved to be done in 2017. The Port does not foresee applying for any prospective grants in 2017.

Included in the Capital Improvement Plan is the plan to expand Bay Port in 2019. Beneficial reuse of the dredge material continues to prove difficult. . Bay Port expansion was planned years ago to occur on the County owned property currently used as the City of Green Bay's composting facility. The purchase agreement allowed the City 10-years free use the land which expires in February 2017. Since the land is not needed for at least three years a draft lease agreement has been forwarded to the City for consideration.

Budget changes included classifying the Department's summer intern(s) to a Limited Term Employees giving the Department the flexibility to hire these individuals at a rate higher than $7.75/hour. Of the total port budget of $300,000, $100,000 is staff salaries and fringe benefits; another $100,000 is fixed expenses leaving $100,000 of discretionary spending. The Department will save a few thousand dollars on its American Great Lakes Ports Association (AGLPA) fees as AGLPA is restructuring their member dues. Large changes in discretionary spending include $47,000 in professional services for Cat Island and Renard Island work and $15,000 in contracted services for work at Bylsby.

Commissioner Hyska wondered if there are any grants available to the Port to pursue in 2017. Mr. Haen explained that there are always grants available; however, the Port does not have any forthcoming projects to make the port an eligible applicant.

Commissioner Hyska asked what additional benefits a Limited Term Employee would receive. Mr. Haen stated that there are no additional benefits, earned time off, etc. owed to a Limited Term Employee.

Commissioner Hyska asked whether any public or private entities have approached the Department with a plan for end use for Renard Island. Mr. Haen stated that until is the County

has ownership of the island and causeway from the feds there is nothing to talk about. There are still several steps to take before ownership is transferred.

Mr. Haen directed the Commissioners' attention to the Statement of Funds and briefly explained how each line item is spent and how money is accumulated in each account.

Commissioner Wallace asked if the Harbor Fee is on a dated schedule. Mr. Haen explained that the Harbor Fee is charged to terminal operators based on their tonnage for the prior year. This money is collected for sole use by the direction of the terminal operators. A couple of years ago they committed all of the money for the Cat Island Restoration project and harbor dredging.

Commissioner Zaehringer asked if all ports around the Great Lakes see the same tonnage cycle as the Port of Green Bay. Mr. Haen explained that the Great Lakes as a whole mirror the Port of Green Bay's activities. Ironically, the tonnage that is brought into the Port of Green Bay more clearly represents the state of the economy. Other ports are more volatile and their increase or decrease in cargo is based on many factors including transportation changes, the world economy, demand for food, etc.

A motion to approve the 2017 Budget was made by Hank Wallace and seconded by Peter Zaehringer. Approved Unanimously with Commissioner Erickson abstaining from voting.

8) Second Quarter 2016 Budget Status Report – *Request for Approval*

Mr. Haen stated that the Department's public charges are on target, miscellaneous revenue is significantly higher, and other financing sources are at 0% because it is not imputed until the end of the year.

A motion to approve the Second Quarter 2016 Budget Status Report was made by Bernie Erickson and seconded by Ron Antonneau. Unanimously approved.

9) Response to Corps Final Accounting for the Cat Island Project – *Request for Approval*

Mr. Haen stated that Corporation Counsel drafted a letter stating that the County will deduct the $400,000 that has already been contributed to the Corps from in-kind contributions from the $1.7M cash contribution owed to the Corps issue a check in the amount of $1.3M, and sign the amendment that the Harbor Commission approved several months ago. The Wisconsin Department of Transportation is not closing out the project until this is resolved.

Commissioner Antonneau suggests sending this letter to all of the federal legislators.

A motion to approve the Response to Corps Final Accounting for the Cat Island Project was made by Bernie Erickson and seconded by Ron Antonneau. Unanimously approved.

10) Tallship Festival - *Update*

Mr. Haen stated that the Port will be sponsoring the Tallship Madeline. As part of the sponsorship agreement it was communicated to PMI the water depths in front of the dockwall, that the fenders on the dockwall need to be addressed, cleats were evaluated and purchased if

necessary so they can be moored safely, line handlers will be provided and a table in front of the ship will be staffed.

Commissioner Vizer stated that there is one vessel that is having trouble getting from place to place because of pilot fees. Mr. Haen confirmed that this is true and added that the Viking ship, Draken Harald Harfagre, had to be staffed with an American Pilot to come to Green Bay and other ports. This is in the midst of a pilotage shortage and the Great Lakes Association lawsuit with US Coast Guard regarding pilot fees charged by the American Pilots. Commissioner Vizer also asked if there is anything that the Commissioners can do to help fundraise or raise this awareness. Mr. Haen stated that there is a fundraising group based in Duluth that is spearheading this.

Commissioner Antonneau asked who the person that is responsible for the pilots is. Mr. Haen stated that the Coast Guard regulates these pilots. Their duty is to have a seasoned captain bring people through historically dangerous waters. Commissioner Antonneau wanted to know who is responsible to change this. Mr. Haen stated that Congress gave the Coast Guard the power to regulate them; the pilots can make their claim as to what they need for pay and the Coast Guard approves it or denies it.

11) *– Update*

Mr. Walter stated that approached the Port with the interest of bringing pulp into the Port of Green Bay. They are mostly interested in using RGL Holdings facility since their main customers are Georgia-Pacific, Proctor & Gamble, and Kimberly Clark. There is some work to be done on RGL's dock though. RGL is applying for a Harbor Assistance Program grant to be used to repair the dock, with AECOM doing the engineering. Randy Siewert stated that they hope to have cargo moving in by summer 2017.

Commissioner Hyska asked if they are committed to move cargo through Green Bay even though they have to wait for a dock to be repaired. Mr. Haen stated that with so many paper mills in northeastern Wisconsin, Green Bay is their ideal port. Commissioner Hyska also asked if there is anything that the Port can do to help RGL with. Mr. Walter stated that he has been assisting in grant writing and any additional information.

Commissioner Zaehringer offered his help in regards to the economic development. He reiterated how great of an opportunity this would be for Green Bay. Mr. Haen stated that a letter of support from Commissioner Zaehringer to the state would be the first thing. Commissioner Zaehringer asked how was this situation derived. Mr. Haen stated that it was driven from

Commissioner Wallace asked if they are using their own ships. If it is, is there a way we can arrange for them to export cargo as well. Mr. Walter stated that export is something that he was been working on and trying to find a facility that will allow exports, arranging cargo to be exported and places to take it.

Commissioner Vizer asked where the pulp will be coming from. Mr. Walter stated that it will be coming from Brazil, it is eucalyptus pulp. It is already being shipped to the markets in Green Bay; they are just looking for a more efficient way to do that.

12) Property Acquisition Plan – Update

Mr. Walter explained that over the last few months Mr. Haen, Commissioner Wallace, Commissioner Fonkem and Mr. Walter have met and formed a preliminary grid to help identify how to evaluate the properties in the port development plan. When a parcel of land does become available the Port will know exactly what they are looking for and how to evaluate it in a timely manner. Ideally the Port would like to be a landlord Port allowing the opportunity to respond more directly to the market.

13) Director's Report – *Update*

Mr. Haen stated that he has hired Schenk to do a 5-year audit of expenses and revenues for the Bay Port 217 Agreement with the Corps; therefore, the Department remains balanced and does not owe or receive money from the federal government at the formal 20-year audit.

For 10 years the city of Green Bay has been using property owned by the Port for their compost facility at no cost. The City will be able to continue using it until the Bay Port expansion in about three years. Mr. Haen let the City know that they can continue using the property under a lease for the next few years. There has been no response yet.

14) Audit of Bills – *Request for Approval*

A motion to hold the audit of bills until the next meeting was made.

15) Tonnage Report – *Request for Approval*

A motion to hold the Tonnage Report until the next meeting was made.

16) Such Other Matters as Authorized by Law

There were no other matters as authorized by law.

17) Adjourn

A motion to adjourn the Harbor Commission meeting at 11:41 am was made by Hank Wallace and seconded by Peter Zaehringer. Unanimously approved.

Tom Klimek, President
Harbor Commission

Dean R. Haen, Director
Port & Resource Recovery Department