Board of Harbor Commissioners (BHC) Meeting Minutes

Thursday, October 12, 2023 – 8:00am

In-Person Meeting

Port Milwaukee – 2323 S. Lincoln Memorial Drive

Milwaukee, WI 53207

**BOARD COMMISSIONERS IN ATTENDANCE:**

Commrs. Alderman Mark Borkowski, Claude Krawczyk (virtual), President (Pres.) Tim Hoelter, Craig Mastantuono, Vice President (VP) Ron San Felippo, Kathy Smith and Diane Diel.

**OTHERS IN ATTENDANCE:**

Mike Ernst

Dave Pittman

Carolyn Seboe

Megan O’Connor

Joe Gallamore

Mike Heneley

Mary Schanning

Alex Uebelacker

Tia Torhorst

Gregory Bird

Jeremy Jannene

Alex Carson

**PORT MILWAUKEE STAFF IN ATTENDANCE:**

Maria Cartier – Market Development Manager

Korey Garceau – Trade Development Representative

Matt Gwiazdowski – Engineering Technician IV

Peter Daniels – Civil Engineer III

Eric Polzin – Port Operations Manager

John Dermyer Jr. – Port Facilities Supervisor

Brian Kasprzyk – Chief Engineer (Excused at 9:40)

Terrian Reed – Port Operations Technician

Sean Hendley – Port Operations Technician

Gerard Guerra – Civil Engineer II

Rich Watt – Port Finance & Administration Officer

Selena Cole – Finance Specialist

Jackie Q. Carter – Port Director/Secretary (excused at 9:40)

1. **BHC Meeting Called To Order**

Pres. Tim Hoelter called the October 12, 2023 meeting to order at 8:00 am.

1. **ACTION ITEMS**
	1. **Approve Thursday, August 10, 2023 Meeting Minutes**

Presented by Pres. Tim Hoelter

Following consideration and discussion by the Commissioners, VP San Felippo’s motion to approve the August 10, 2023 minutes was seconded by Commr. Smith and carried by the following vote:

**AYES:** Commrs. Borkowski, Diel, Krawczyk, Mastantuono

**NAYS:** None

* 1. **Approve Milwaukee World Festival, Inc.** (MWF) Capital Project

Presented by MWF Staff

The MWF Staff discussed 2024 Capital Improvements, which include an update and refresh of the entire mid-gate pavilion building. In this update, the side entrances to the stage will be opened for more visibility as well as new finishes on all exterior walls, paint existing roof structure, new hospitality patio, reconfigured loading dock, new permanent video screen near the stage, and new signage and video screens on main walkway. Total estimated cost of improvement is $2,000,000.00.

Following consideration and discussion by the Commissioners, VP San Felippo’s motion to approve the MWF Capital Project was seconded by Commr. Smith and carried by the following vote:

**AYES:** Commrs. Borkowski, Diel, Krawczyk, Mastantuono

**NAYS:** None

* 1. **Approve Contract 682, Terminal 3 Façade Restoration**

Presented by Brian Kasprzyk

Mr. Kasprzyk provided background on the contract, stating that the terminal 3 building, which Logistec currently leases, was built in 1961. In June 2023, brick on the west face failed. DPW masons demolished the remaining loose brick. There was one bidder and 15% SBE participation. Recommendation is to award the contract to Berglund Construction Company of Milwaukee, WI for bid items 1-5, excluding 2B. The total contract price is $378,205.56. Work would begin immediately. The building’s demolition and security would be completed by winter.

Following consideration and discussion by the Commissioners, Commr. Smith’s motion to approve Contract 682 was seconded by VP San Felippo and carried by the following vote:

**AYES:** Commrs. Borkowski, Diel, Krawczyk, Mastantuono

**NAYS:** None

* 1. **Approve Contract 683, Compass Building Reroof**

Presented by Brian Kasprzyk

Mr. Kasprzyk provided background on the contract, stating that the Compass Minerals building, which Compass Minerals currently leases, was built in 1960. The building has substantial roof leaks. There has been patch work, but it is now time to make major repairs. There was one bidder and 100% SBE participation, as well as a Socially-Responsible contractor. Recommendation is to award the contract to JRT Top Notch Roofs, LLC of Milwaukee, WI. They have previously performed work on the pole barn. The total contract price is $56,991.00.

Following consideration and discussion by the Commissioners, Commr. Smith’s motion to approve Contract 683 was seconded by Commr. Mastantuono and carried by the following vote:

**AYES:** Commrs. Borkowski, Diel, Krawczyk, VP San Felippo

**NAYS:** None

* 1. **Amendment to Contract 680, Railroad Rehabilitation and Maintenance**

Presented by Brian Kasprzyk

Mr. Kasprzyk discussed an amendment to contract 680, the general railroad maintenance contract. The contract was originally awarded to Knapp Railroad Builders of West Milwaukee, WI in December 2021 for $132,942.00 with two one-year options to extend. The first amendment for $176,175.00 was approved in October 2022. This amendment for a total of $35,140.00 is to rebuild approximately 280 feet on track 11.

Following consideration and discussion by the Commissioners, Commr. Smith’s motion to approve the amendment to contract 680 was seconded by VP San Felippo and carried by the following vote:

**AYES:** Commrs. Borkowski, Diel, Krawczyk, Mastantuono

**NAYS:** None

1. **INFORMATIONAL UPDATES**
	1. **Update on I-794 Progress**

Presented by HNTB (consultant retained by WISDOT)

Per Port Director Jackie Q. Carter, WISDOT will make the final decision on the I-794 project. The City of Milwaukee has not yet taken a position, but one will eventually be issued by the Mayor.

WISDOT's Dave Pittman delivered an overview of the Lake Interchange Study, which is evaluating alternatives to reconstruct the I-794 freeway corridor, generally from the Milwaukee River to the Hoan Bridge. They are currently in the study stage which involves public involvement and outreach, alternatives analysis, environmental documentation, and preliminary design. The purpose of the project is to address deteriorating infrastructure on I-794, while addressing safety and enhance community connectivity and compatibility with local plans and development. Since it is past the point of rehabilitation, now is the opportunity to look at how to rebuild and possibly reimagine how it could look in the future.

Traffic is currently approximately 74,000 vehicles per day on I-794 to the Milwaukee River. The Hoan Bridge traffic is approximately 43,000 vehicles per day. There are 8 access points, some more highly used than others that may be consolidated and decrease the footprint. This area is used to travel to downtown and the north shore, but it’s also used to get to and from the south side communities. 68% of the trips from the Hoan Bridge travel through the Lake Interchange to the Marquette Interchange. 71% of the trips that begin at the Lake Interchange travel to the Marquette Interchange. 55% of the trips from the Marquette Interchange travel to the Lake Interchange. 45% of the trips from the Marquette Interchange travel through the Lake Interchange to the Hoan Bridge.

Needs and priorities have been evaluated, including public outreach, and are being developed into alternatives to form the process. Environmental analysis has also begun. Public outreach will continue into next year at various stages of the project. The final design and construction are not yet funded or approved.

Representatives continued discussing the process. They are currently in the conceptual development phase, looking at all of the possibilities for the study area. The phase is nearing completion and will inform the alternatives. Replacement, improvement, or removal are all options. There will be evaluations to determine the impacts, cost, etc. of each alternative. Based on early feedback, WISDOT developed initial design concepts for the I-794 Lake Interchange: No Build – Bridges and ramps would not be replaced and would continue to deteriorate. Replace In-Kind – Reconstruct existing structure and match existing alignment. Maintain all existing access points. Limited local street and sidewalk improvements. Freeway Improvement – Reconstruct elevated freeway without capacity expansion. Improve design features to meet current standards and improve safety. Consolidate freeway access ramps. Improve local street connectivity where feasible. Provide complete street accommodations where feasible. Freeway Removal – remove the freeway and utilize the at-grade street network. The timeframe projections are out to 2050.

No Build is a challenge because the infrastructure will continue to deteriorate, so they are focusing on the remaining alternatives. Representatives continued by highlighting concept graphics of each alternative as discussed above. A total of 9 ideas can be seen on their website: [www.794lakeinterchange.wisconsindot.gov](http://www.794lakeinterchange.wisconsindot.gov). Replace In-Kind: 28 structures will be reconstructed. Considered the baseline. Maintains all 8 existing access points. Freeway Improvement: Starts at Public Market. Keeps existing freeway separation to and from West. Major feature is on/ off is pulled south, connecting at St. Paul. Design speed is increased. Consolidated to 4 access points. Clybourn will be bidirectional. Includes land that could be repurposed for development. Lanes are opened up. Freeway Improvement concept 2: Shifted construction to the West. Allows deviation to be consolidated and bring ramps together. Note that they’re still in early stages, only 15% design. Working through some details, only presenting general themes. Studying traffic, pros and cons and stakeholder effects. Freeway Removal: no longer an access. Interstate badge would be removed. Still being studied. Leaning towards this alternative with the most benefit. Traffic would enter city street grid. Major benefit is that it separates I-94 and I-43 traffic. Maintains North/South connections. Hoan Bridge would be connected and Lincoln Memorial Dr, but is still being studied. They are still working to address public inquiries and consider them before making a decision.

Studies are ongoing. The Port looks are modes in which cargo leaves the Port. Removing a highway, would impact operations as a Port and potential competitiveness with other ports.

Next steps are to review public comments, identify concepts and refine them into alternatives, then proceed with detailed analysis. Additional public involvement meetings will be held in 2024.

* 1. **Update from Harbor District Inc.**

Presented by Tia Torhorst – CEO of Milwaukee Harbor District

Ms. Torhorst spoke on the Harbor District's current efforts. To protect infrastructure, this includes the Ecological and Resilient Breakwater project. This would provide habitat for fish and other aquatic animals beneath the waterline, as well as birds above the waterline. It would not allow people access. There will be an RFP and public information meetings, and the process will most likely take ten years to complete. It does not replace the current breakwater, but rather adds another layer of protection. The boating community and the Port will be consulted. Engineering is not yet finished, and information is still being gathered. Costs have not yet been estimated.

The 1st Street Greenway is another project that will reduce a four-lane road to two lanes to create a bike and pedestrian lane. Engineering and construction are expected to be finished within the next two years if funding is received. The district is also working to improve habitat along the Kinnickinnic River and in the inner harbor. The objective is to continue to refine habitat improvement between the lake and the river as well as river to river. There is a lot of public engagement going on to attract people down to the river, such as Summer en La Plaza, enhancements to the Kinnickinnic River Bike Trail, Harbor Fest (approx. 4,100 attendance and Port participation), and the extension of the Harbor View Riverwalk, which is projected to be finished in 2024. There will be improvements to allow for public events and programming. There has been a lot of public input on the design. The existing boat slip area will also be updated to include the history of the indigenous, the Port and the Kaszube people. There are additional options to bring value to the space that will be included in the RFP as well.

1. **PORT MILWAUKEE DIRECTOR’S REPORT – Jackie Q. Carter**

The Port Director discussed a variety of topics. There are many industry partner events to stay engaged with the maritime community groups. In August, Ms. Carter and Mr. Kasprzyk attended the annual meeting of the Wisconsin Commercial Ports Association. There were opportunities to network with counterparts and find potential partners and resources. It was a state-based meeting attended by the Department of Transportation, the Department of Administration, and engineering firms. Ms. Carter also attended the Inland, Rivers, Port and Terminals meeting. The Port has river access, but has not been very engaged with that side of the business, so this was an opportunity to make connections. Ms. Carter and Ms. Cartier then attended a training session with the International Association of Port Executives, which is affiliated with that organization. Connections were made, with plans to collaborate in the future.

Tenant meetings have continued to be held in an effort to learn how to solicit business for the tenants and to understand their goals and plans.

The number of requests for Port 101 presentations and tours continues to grow. Congresswoman Moore visited the Delong facility and engaged with Port Operations personnel. Collaboration with City partners are ongoing. All Hands Boatworks, a youth organization, is interested in conducting tours and collaborating with the Port. The Port Operations team attended Harbor Fest with the Joey D. There was a lot of engagement and good Port representation.

Ms. Carter provided an update on Port vacancies. The Port Operations & Maintenance Technician position has two vacancies. Mr. Watt is working with Operations to determine the next steps. The Administrative Assistant III position is vacant. DER has provided a list with five internal candidates. Interviews will be scheduled for November, with the goal of filling the position soon.

1. **PORT MILWAUKEE OPERATIONS REPORT – Eric Polzin**

Mr. Polzin provided a ship breakdown since the previous meeting, noting that vessel activity is consistent compared to last year. However, cement vessels are lower than usual. The Joey D was at Harbor Fest, providing the public with an opportunity to see one of the assets that assists with tasks in the harbor. Other events included the Jones Island Fest for the second year, hosted by Torzala Brewing.

The Port hosted the State of Michigan vessel that serves as a training vessel for Great Lakes Pilots. The US Coast Guard conducted the security plan’s second annual audit. This year, the focus was on cruise ship docks, and there were no deficiencies. Top Chef filmed an episode at Pier Wisconsin.

Mr. Polzin offered an update on the Harbor Seagull's status. Although not much work has been done, various contractors have assessed it and made recommendations to get it running again.

1. **PORT MILWAUKEE FINANCIAL REPORT – Rich Watt**

Mr. Watt provided a financial update. Revenue is on track. Operating expenses are a little low, but are expected to increase with year end expenditures. Receivables continue to decline for delinquent accounts. Most accounts are current going into the new year. Due to vacancies, salary expenses are low, but they are expected to increase due to position reclasses. As Mr. Watt becomes more acclimated, he will be working more on delinquent accounts. There are no concerns with the current budget.

1. **PORT MILWAUKEE ENGINEERING REPORT – Brian Kasprzyk**

Mr. Kasprzyk discussed the water levels, which are closer to average.

Mr. Kasprzyk offered an update on the repairs to the administration building. The north wall repairs were approved in December 2022 at a total cost of $601,845. A change order in August 2023 decreased the cost to $505,457. The overall cost was adjusted to $549,163 due to additional change orders. The EFIS that was falling off was completely removed and will be replaced with metal panels. They are currently preparing the roof for when the panels arrive. The remaining project budget is $52,682, with a completion date of December 2023 for this phase of the project.

Mr. Kasprzyk then discussed the US Army Corps of Engineers maintenance dredging along the projected DMMF structure, which is expected to be completed by the end of the year before the construction of the DMMF. In Federal Channel, there are around 120,000 CY.

1. **PORT MILWAUKEE TRADE DEVELOPMENT REPORT – Maria Cartier**

Ms. Cartier provided an update on tonnage, which is up 23% from 2022 likely due to dry bulk and salt. Liquid cargo is also up. She went on to provide an overview of Port’s events including the visit with Congresswoman Gwen Moore. Ms. Cartier went on a trade mission to Germany with the Great Lakes St. Lawrence Seaway. It involved exhibiting and meeting with cruise line representatives. There was a lot of positive feedback about the Port’s service. There were also multiple port visits in the Bremerhaven region to discuss business development opportunities between our ports. Ms. Cartier and Mr. Garceau participated in Doors Open with seven sold out tours. MPS counselors visited the Port and participated in Port 101 and tours. Additional Port 101’s were provided to Waukesha Sunrise Rotary and Northshore School for Seniors. These Port 101’s are generating increased Port awareness.

Mr. Garceau provided a cruise update, stating that 3 vessels returned in the fall. Two visits remain this season, bringing the cruise season to a close with a total of 30 visits in 2023.

There was Foreign Trade Zone activity. Mr. Garceau attended the National Foreign Trade Zone annual conference in Miami, which included special sessions and roundtables for grantees. The FTZ board also provided an in-person grantee training. Recently, a new FTZ banner was purchased. Mr. Garceau, Ms. Cartier, and Ms. Cole attended the Wisconsin Manufacturing & Technology Show in West Allis, which provided an opportunity to promote FTZ to regional manufacturers. Over three days, the show had around 200 exhibitors and nearly 5,000 attendees. The exhibition resulted in ten potential leads related to FTZ and Port business.

1. **ADJOURNMENT**

Commr. Smith’s motion for adjournment was seconded by VP San Felippo and carried by the following vote:

**AYES:** Commrs. Borkowski, Krawczyk, Diel and Mastantuono

**NAYS:** None

Pres. Hoelter adjourned the October 12, 2023 Board of Harbor Commissioner’s meeting at 10:08 a.m.