



Board of Harbor Commissioners (BHC) Meeting Minutes
Thursday, April 14, 2022 – 8:00am
Hybrid Meeting
Port Milwaukee – 2323 S. Lincoln Memorial Drive
Milwaukee, WI 53207

BOARD COMMISSIONERS IN ATTENDANCE:

Comms. Alderman Mark Borkowski, President (Pres.) Tim Hoelter, Claude Krawczyk (entered meeting at 8:05 a.m.), Craig Mastantuono, Vice President (VP) Ron San Felippo, Diane Diel and Kathy Smith.

OTHERS IN ATTENDANCE:

Gregory Bird	Joe Szczybialka
Sue Landry	Jeremy Jannene
Jason Stuewe	Zach Sadowski
Sarah Pancheri	
Greg Kruse	

PORT OF MILWAUKEE STAFF IN ATTENDANCE:

Jackie Q. Carter – Finance and Administration Officer
Maria Cartier – Market Development Manager
John Dermeyer – Port Facilities Supervisor
Matt Gwiazdowski – Engineering Technician IV
Salvatore Gailloro – Crane Operator
Mathew Tillman – Crane Operator
Jazmine Jurkiewicz – Trade Development Representative
Brian Kasprzyk – Chief Engineer
Steve Paczesny – Civil Engineer III
Eric Polzin – Harbor Master
Selena Cole – Finance Specialist/Assistant Secretary
Adam Tindall-Schlicht – Port Director/Secretary

I. BHC Meeting Called To Order

Pres. Tim Hoelter called the April 14, 2022 meeting to order at 8:01am.

II. SPECIAL PRESENTATION

Presented by Adam Tindall-Schlicht

- a) *Commendation for Port and Federal Marine Terminals (FMT) staff on behalf of Milwaukee Police Department and Board of Harbor Commissioners*

III. ACTION ITEMS

- a) **Approve Thursday, February 10, 2022 Meeting Minutes**

Presented by Pres. Hoelter

Following consideration and discussion by the Commissioners, Commr. Kathy Smith's motion to approve the February 10, 2022 minutes was seconded by Ron San Felippo and Claude Krawczyk and carried by the following vote:

AYES: Comms. Borkowski, Diel, Krawczyk, Smith, Mastantuono, VP San Felippo and Pres. Hoelter

NAYS: None

b) **Approve Harbor Commission June Meeting Date Change**

Presented by Pres. Hoelter

Following consideration and discussion by the Commissioners, Commr. Kathy Smith's motion to approve the June Meeting Date Change (June 20, 2022) was seconded by Commr. Diane Diel and carried by the following vote:

AYES: Commrs. Borkowski, Diel, Krawczyk, Smith, Mastantuono, VP San Felippo and Pres. Hoelter

NAYS: None

c) **Approve Formation of Ad Hoc Committee on Harbor Commission Bylaws**

Presented by Pres. Hoelter

Following consideration and discussion by the Commissioners, Pres. Hoelter appointed Commr. Diel as Chair of the Bylaws Committee, joining Commrs. Smith and Krawczyk as members. Commr. Kathy Smith's motion to approve the Ad Hoc Committee on Harbor Commission Bylaws was seconded by Commr. Claude Krawczyk and carried by the following vote:

AYES: Commrs. Borkowski, Diel, Krawczyk, Mastantuono, Smith, VP San Felippo and Pres. Hoelter

NAYS: None

d) **Approve Statement of Condolence on the Passing of Michael Cudahy**

Presented by Ron San Felippo

Following consideration and discussion by the Commissioners, VP San Felippo motion to approve the statement of condolence was seconded by Commr. Claude Krawczyk and carried by the following vote:

AYES: Commrs. Borkowski, Diel, Krawczyk, Mastantuono, Smith, VP San Felippo and Pres. Hoelter

NAYS: None

e) **Approve Milwaukee World Festivals (MWF) Capital Improvements, Annual Report and Access Calendar**

Presented by Sarah Pancheri, Chief Operating Officer

Ms. Pancheri presented along with Sue Landry (Chief Financial Officer) and Jason Stuewe (Vice President of Planning & Development). The Northwestern Mutual Community Park was opened. Summerfest as well as some ethnic festivals were successfully held in 2021 following closures in 2022 related to the COVID-19 pandemic. Ms. Pancheri also discussed various events and community outreach efforts by MWF, including admission promotions, accessibility and hiring.

Mr. Stuewe discussed Capital Improvements including the American Family Amphitheater; square footage, concessions and restrooms were added. The Generac Power Stage was also added.

Ms. Pancheri presented the Public Access Calendar. She noted extended hours of lake walk and park availability. Comm. Mastantuono requested information regarding the access calendar and how the timeline is determined. Per MWF, the calendar is determined primarily with Summerfest and ethnic festival dates in mind; safety is the top priority. The availability of the playground and access calendar is listed on the MWF website and via social media.

Following consideration and discussion by the Commissioners, Commr. Ron San Felippo's motion to approve the Milwaukee World Festivals Capital Improvements and Access Calendar was seconded by Commr. Smith and carried by the following vote:

AYES: Commrs. Borkowski, Diel, Krawczyk, Mastantuono, Smith, VP San Felippo and Pres. Hoelter

NAYS: None

Sue Landry continued with the presentation of the annual report. MWF's annual audit resulted in no corrections. COVID-19 had a significant financial impact in 2020 and 2021. Activity events were moved, and admission protocols were implemented. MWF ended 2021 with a \$3.8 million cash balance.

Following consideration and discussion by the Commissioners, Commr. Smith's motion to approve the presentation of the Annual Report was seconded by Commr. Krawczyk and carried by the following vote:

AYES: Commrs. Borkowski, Diel, Krawczyk, Mastantuono, Smith, VP San Felippo and Pres. Hoelter

NAYS: None

IV. INFORMATIONAL UPDATES

a. **2021 Annual Report**

Presented by Maria Cartier, Market Development Manager

Ms. Cartier presented the 2021 annual report. She noted that the Port has a new creative services provider, Nelson Schmidt. The goal was to maintain consistent branding and design elements, the annual report has been updated, modernized, and enhanced. The report will be made available on the Port website and sent to community partners, customers and stakeholders. The report will also be relayed to the Milwaukee Common Council under city ordinance and to the Wisconsin Department of Transportation per state law.

b. **U.S. Department of Homeland Security Infrastructure Report**

Presented by Adam Tindall-Schlicht, Director

The Cybersecurity and Infrastructure Security Agency (CISA) of the U.S. Department of Homeland Security (DHS) conducted a security and safety analysis of the Port's commercial operations on Jones Island in 2021 to analyze security vulnerabilities. The analysis is a comparison to other port authorities in the country. There were suggestions to improve best practices such as mitigation, suspicious package handling, anti-terrorism measures, and suggestions to take advantage of DHS trainings on security and safety. Other key recommendations include: improve collaboration with law enforcement/first responders; implement 100% perimeter security with fencing and improved signage; automate rail gates on Carferry & S Lincoln Memorial Dr. with 24 hour security; enhancing technology; and improve lighting. This information will be reported to Common Council. To address the most pressing concerns identified in the study, the Port will apply for a 2022 DHS Port Security Grant Program.

c. **Facilities Condition Assessment on Port Administration Building**

Presented by John Dermeyer, Facilities Supervisor

The facilities condition assessment was conducted with the City's Department of Public Works (DPW) beginning in 2021 on the Port's Administration Building. Study findings include a multi-year budget recommendation and updated facilities improvement plan in compliment to the Port's Capital Asset Renewal Plan (CARP). Top priorities include: external insulation, siding, windows elevator and roof replacement. Next steps are to continue to monitor and analyze findings with DPW.

d. **Preview of 2022 International Cruise Season**

Presented by Jazmine Jurkiewicz, Trade Development Representative

Ms. Jurkiewicz recapped the 2019 cruising season – 10 visits with 4 vessels, which yielded 3,200 passengers and \$50k in direct revenue for Port. For 2022, 33 visits by 8 vessels are planned. Revenue is estimated to be \$150k gross revenue for the Port. There will likely be 10,000 passengers spending an estimated \$2.5 million in economic impact for the region. Funding is still being sought for construction on the South Shore Cruise Dock. A new, updated sign has been provided by Pearl Seas at Pier Wisconsin.

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

An overview was provided on the vessel activity year to date. Work on the *Harbor Seagull* is ongoing. All 2021/2022 winter layup vessels have left for the season. The first of three new operations technicians will be starting in April. Work is continuing with the U.S. Coast Guard on the terminal security plan ahead of increased cruising activity this summer.

VI. **PORT MILWAUKEE FINANCIAL REPORT – Jackie Q. Carter**

Ms. Carter discussed the 2022 budget for the Port. Revenue is slow around this time of year, but is anticipated to pick up as the international shipping season picks up. The receivables include increased delinquent accounts; collection efforts will be ramping back up. Revenue and expenditures reflects higher rents lease escalations. Decreases in revenue are related to vessel activity (e.g. wharfage), and the decrease in need of winter salt. Operating expenditures are down, which were higher the prior year due to the *Harbor Seagull* event.

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

Water levels on Lake Michigan are approaching average levels. At some point, the ownership and maintenance of the Port's \$5.6 million water distribution system was conveyed from Milwaukee Water Works to the Harbor Commission. The water system is used for potable water, fire suppression, and ship water; it includes approximately 37 thousand feet of water lines, 70 hydrants and 120 gate valves. Milwaukee Water Works assists with needed maintenance and repairs on the system, but at a cost to the Port. The Port continues to assume financial vulnerability with the operation, maintenance and responsibility of the Jones Island water system. Additionally, the Port owns the underground water infrastructure on the Henry Maier Festival Grounds, but MWF has maintenance responsibility under their lease. Per Commr. Borkowski, discussions should start at City Hall regarding trying to transfer responsibility back to Water Works for consistency in the management of the water infrastructure.

VIII. **PORT MILWAUKEE TRADE DEVELOPMENT REPORT – Maria Cartier, Jazmine Jurkiewicz**

Per Ms. Cartier, tonnage is down 24% year to date, primarily due decreased salt imports given dry winters the past 2 years. The Port's Twitter account has been reactivated with an increase in approximately 900 followers.. Public relations activity has increased, including exposure in new areas, such as cruise related press releases, articles, radio exposure and podcast exposure.

Ms. Jurkiewicz presented Foreign Trade Zone (FTZ) updates. Approval was received from the national FTZ board to include HH Global for newest its subzone, including 2 sites in

Kenosha County. The FTZ 41 annual report was submitted for reporting to the U.S. Congress. Last year, FTZ 41 saw an increase to \$13 billion in value of shipments; a typical year is between \$2-3 billion.

IX. PORT MILWAUKEE DIRECTOR'S REPORT – Adam Tindall-Schlicht

The Port Director presented on several topics. The Director was elected to the board of the Inland, Rivers, Ports & Terminals (IRPT) Association; and he continues to serve as Governor Evers' Milwaukee County representative on SEWRPC. The Director continues to negotiate on a new port-to-port agreement between Milwaukee and Saguenay, Quebec, Canada. The non-profit Aerotropolis had its last board meeting recently. Port Milwaukee will be hosting the American Great Lakes Ports Association (AGLPA) summer meeting in July 2022. Milwaukee hosted the Transportation GO! Conference the 1st Quarter of 2022. Port staff continue to prepare for an updated Great Lakes' Low Water Datum (LWD) analysis by the U.S. and Canadian governments in the years ahead, likely resulting in significant expense and new dredging requirements at the Port. The City of Milwaukee passed a new ordinance requiring ethics training for appointed commissioners, including the Harbor Commission, going forward; updated guidance is forthcoming. No StewardSHIP applications have been received to date. A Quarterly All Tenant meeting and Quarterly All Port staff meeting are both being planned..

X. ADJOURNMENT

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

AYES: Commrs. Borkowski, Diel, Krawczyk, Mastantuono, Smith, VP San Felippo and Pres. Hoelter

NAYS: None

Pres. Tim Hoelter adjourned the April 14, 2022 Board of Harbor Commissioner's Meeting at 10:07 a.m.