



Board of Harbor Commissioners (BHC) Meeting Minutes  
Thursday, June 10, 2021 – 8:00am  
Port Milwaukee – 2323 S. Lincoln Memorial Drive  
Milwaukee, WI 53207

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**BOARD COMMISSIONERS IN ATTENDANCE:**

Comms. Alderman Mark Borkowski, Diane Diel, Kathy Smith, Claude Krawczyk, Vice President (VP) Ron San Felippo, President (Pres.) Tim Hoelter

**OTHERS IN ATTENDANCE:**

LaFayette Crump – City of Milwaukee	Frank Nicotera – Milwaukee World Festivals
Jeff Fleming - City of Milwaukee	Jason Stuewe – Milwaukee World Festivals
Jeremy McKenzie – City of Milwaukee	Sarah Pancheri - Milwaukee World Festivals
Mary Schanning – City of Milwaukee	Robert Gosse – Milwaukee World Festivals
Melony Pederson – HDI	

**PORT OF MILWAUKEE STAFF IN ATTENDANCE:**

Adam Tindall-Schlicht – Port Director/Secretary  
Brian Kasprzyk – Chief Engineer  
Eric Polzin – Port Facilities Supervisor  
Jackie Q. Carter – Port Finance and Administration Officer  
Jazmine Jurkiewicz – Trade Development Representative  
Maria Cartier – Market Development Manager  
Matt Gwiazdowski – Engineering Technician IV  
Rhonda Ronsman – Executive Assistant/Assistant Secretary  
Selena Cole – Finance Specialist  
Steve Paczesny – Civil Engineer III  
Wayne Johnson – Harbor Master

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**I. BHC Meeting Called To Order**

Pres. Tim Hoelter called the June 10, 2021 BHC meeting to order at 8:00am.

**II. ACTION ITEMS – Tim Hoelter**

**a) Thursday, April 8, 2021 Meeting Minutes**

*Commr. Kathy Smith's motion to approve the April 8, 2021 minutes was seconded by Commr. Ron San Felippo and carried by the following vote:*

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

**NAYS:** None

**b) Approve Milwaukee World Festivals (MWF) (i) Capital Improvements, (ii) Annual Report and (iii) Access Calendar – Frank Nicotera, Sarah Pancheri, Jason Stuewe, Robert Gosse**

*i. Commr. Mastantuono's motion to approve the Milwaukee World Festivals' (MWF) Capital Improvements, was seconded by VP San Felippo and carried by the following vote:*

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

**NAYS:** None

- ii. *Commr. Smith's motion to approve the Milwaukee World Festivals' (MWF) Annual Report, was seconded by VP San Felippo and carried by the following vote:*  
**AYES:** Comms. Borkowski, Diel, Smith, Krawczyk, Mastantuono, VP San Felippo and Pres. Hoelter  
**NAYS:** None
- iii. *Commr. Mastantuono's motion to approve the Milwaukee World Festivals' (MWF) Access Calendar, was seconded by VP San Felippo and carried by the following vote:*  
**AYES:** Comms. Borkowski, Diel, Smith, Krawczyk, Mastantuono, VP San Felippo and Pres. Hoelter  
**NAYS:** None

### III. **INFORMATIONAL UPDATES**

#### a) **Update from BHC Finance Committee – VP Ron San Felippo**

A BHC Finance Committee Meeting was held on May 12, 2021. The Committee provided an overview of Port Milwaukee delinquent accounts receivable. Finance Committee members and Port staff discussed the ongoing efforts to collect on past due accounts. Port staff has implemented high level communication strategies with company leaders and finance personnel to support collections.

The Committee also discussed Port Milwaukee's fiscal year 2022 budget submission where Port budget and finance objectives were reviewed.

Contract negotiations with Compass Minerals and Federal Marine Terminals were discussed in a closed session.

The Committee approved the transfer of inactive delinquent accounts to collection agencies and the adoption of the 2022 Port Milwaukee Budget Plan.

#### b) **Update on Vessel & Equipment Safety Checklists – Eric Polzin**

In response to the request from the BHC in the April board meeting that Operations review its Standard Operating Procedures (SOPs), staff is working on updating operational checklists. The *Harbor Seagull* event spearheaded the effort to ensure checklists are up to date and in operation. Once completed, Operations is confident that these checklists will provide more accountability, efficiency, and cost effectiveness in Port operations. Mr. Polzin provided four (4) examples of checklists that are being worked on.

#### c) **Update on Harbor Seagull Repairs & Remediation – Wayne Johnson**

The main engine/motor is operational. The Port is waiting for an estimate and parts availability for the marine gear, as well as special bolts for the motor. The rudder is complete and ready to install. The generator has been rebuilt. The fuel tanks are ready for a pressurization test.

The hydraulics are ready, the propeller is re-welded and balanced, and the ballast tanks have been cleaned. The hull is welded and ultra-sounded, the high water alarms are installed and in need of replacement phones, and the cooling system is awaiting a pressurization test. The interior gauges are installed and wired, and the hatches have replacements ordered. The interior paneling and insulation is on the list of things to complete, but is not of primary concern.

The initial estimated financial impact is \$350K in external contracts. Year to date (June 2021), Port Milwaukee has spent \$130K in external contracts, with 1,000 Port hours worked.

d) **Capital Asset Renewal Plan (CARP) Update – Adam Tindall-Schlicht**

Efforts are ongoing for inventorying the Port's infrastructure and CARP development. The project is on schedule for delivery to the Harbor Commission at the August 2021 Board meeting, delivery to the Common Council and Mayor Barrett in September 2021, and delivery to the Wisconsin Coastal Management Program in fall of 2021. The Port will inform the Commission if the scheduled delivery to the BHC is delayed. The State has informed the Port that delivery by the end of the year is acceptable.

There has been a slight cost overage to complete the work. An additional \$35K has been authorized by Port Director, Adam Tindall-Schlicht.

Existing document review, facility inspection and condition assessment, stakeholder meetings, CARP development and aerial surveying are all on track.

- **Overall**

- Value (in 2021 figures) of Port assets: \$500 Million
- Immediate need: \$15-20 Million (next 0-5 years)
- Preventative Maintenance Backlog: \$75 Million (next 5-10 years)
- Required Life Cycle Reinvestment: \$250 Million (next 10-40 years)
- Current State of Assets: Exceeded (0) to 50 years remaining useful life

- **Capital Asset Categories**

- Buildings: 29 structures (28% of need)
- Dockwalls: 33 structures (38% of need)
- Dredging/Navigation: 6 slips/piers (2% of need)
- Fencing: Port-wide chain link, (1% of need)
- Green Infrastructure: Urban Park, Russel Avenue, Lake Express, Pier Wisconsin, Hoan Bridge, Stormwater Pond/Parcel C, Grand Trunk Wetland (2% of need)
- Lighting: Street lighting, bollards, building exteriors (1% of need)
- Pavements and Roads: Service drives and Port areas outside public right-of-way (4% of need)
- Rail: Power-owned track, switches, crossings, signals (13% of need)
- Utilities: Water, sanitary, storm sewer (3% of need)

70% of the total need at Port Milwaukee is building and dock wall specific.

e) **Update on Infrastructure Funding Priorities – Adam Tindall-Schlicht**

1. Port's Contributions to the General Fund

Year	Operating Revenue	Operating Expenses	Net Gain (Transfer)	MWF (Transfer)	PORT TOTAL (Transfer)
2020	\$5,136,721.26	\$4,356,231.59	\$780,489.67	\$2,465,165.00	\$3,245,645.67
2019	\$4,608,768.79	\$4,049,237.53	\$559,531.26	\$1,549,442.00	\$2,108,973.26
2018	\$4,672,091.74	\$4,360,791.20	\$311,300.54	\$1,533,127.00	\$1,844,427.54
2017	\$4,108,238.51	\$3,365,085.08	\$743,153.43	\$1,517,327.00	\$2,260,480.43
2016	\$3,891,790.04	\$3,438,859.59	\$452,930.45	\$1,501,937.00	\$1,954,867.45
2015 – 2001 (Total)	\$57,514,970.68	\$40,954,183.58	\$16,560,787.10	\$18,386,707.37	\$34,947,464.47
2015 – 2001 (Average)	\$3,834,331.38	\$2,730,278.91	\$1,104,052.47	\$1,225,780.49	\$2,329,830.96

• Port Return to the General Fund (since 2001): **\$19.4 Million**

• MWF Leasehold Return to the General Fund (since 2001): **\$26.9 Million**

The Port has returned well over \$45Million in direct transfers to the City of Milwaukee over the last 20 years.

2. 2021 Stimulus: Shovel Ready Projects

Description	Cost	Priority	Source	Scope	Status
South Shore Cruise	\$5 million	High	Local/State	Building a new Customs-compliant Seawaymax dock and ops. center.	City and State funding exhausted. Private capital being sought.
DeLong Rail	\$5.7 million	High	RACM Loan	Required local match for USDOT-granted funded \$35M terminal.	Delays in RACM bond issuance.
S. Lincoln Memorial	\$1 million	High	DCD	New asphalt repaving concurrent to WisDOT crossings-related work.	Public Right of Way under heavy industrial use by Port/MMSD.
New Tugboat	\$3 million	High	TBD	Purchase new tugboat to replace 60+ year old Joey D.	Response to sinking on February 22, 2021.
DMMF Construction	\$20 million	High	State/Fed.	Permanently store 1.9 million cubic yards of sediment.	Unidentified, required Port contribution for the DMMF design and build.
Liquid Cargo Pipeline to Airport	\$20 million	Medium	TBD	New maritime supply chain to address WI energy emergency.	West Shore pipeline closure 2016; Gov. Evers emergency in 2021. PIDP?
Inner Mooring Basin Dockwall	\$5 million	Medium	HAP	End-of-life wear and tear has been identified. Refurbishment needed.	Adjacent to DeLong agricultural terminal project. 2021 HAP?
Water Distribution System	\$2 million	Medium	TBD	End-of-life wear and tear has been identified. Refurbishment needed.	Ongoing water main, lateral and fire hydrant repairs. ~\$50K/year.

The Port has attempted over the last several years to secure multiple state and federal grants to fund necessary improvements to the South Shore Cruise Dock as the Port plans for the arrival of Viking Cruises. Viking is planning to be at the Port in 2022, thus creating the immediate need for assistance to make sure that the Port is prepared for its arrival.

Adam Tindall-Schlicht will be meeting with the Wisconsin Secretary of Transportation, the Wisconsin Secretary of Tourism, and has already met with Senator Tammy Baldwin's staff in an attempt to address the urgency for this project.

- f) **Update-Area of Concern/Dredged Material Management Facility – Adam Tindall-Schlicht**  
There has been a tremendous amount of activity on Milwaukee Estuary Area of Concern (AOC) work as well as the proposed construction of a new Dredged Material Management Facility (DMMF) at Port Milwaukee.

AOC is a U.S. Environmental Protection Agency (EPA) designation for those areas of the Great Lakes that were diagnosed as having a state of severe environmental disrepair. There is currently a \$400 Million effort that will lead to the Milwaukee estuary removal as an AOC.

The estuary includes all three (3) rivers as well as the inner and outer harbor across a multi-county jurisdiction. Through a team of organizations, the Waterway Restoration Partnership is working together to fund this effort.

The reconstituted Community Advisory Committee (CAC) is an advocacy committee that will ensure that the AOC work aligns with community priorities. This is a paid activity for committee members that includes attending technical, community and public meetings, soliciting feedback from stakeholders, and monitoring project plans. The Fund for Lake Michigan is providing the financing for members of CAC to complete this work. The administrative work will be completed by the non-profit Harbor District, Inc.

Currently, the CAC has 9 committee members from the Kellogg PEAK Initiative, Center for Urban Population Health, Clean Wisconsin, UWM School of Freshwater Sciences, Milwaukee Riverkeeper, the Urban Ecology Center, Alliance for Climate Education, Victura Communications and TRUE Skool. Virtual Public Information Meetings were held on May 18, 2021 and May 20, 2021.

The current tentative DMMF construction and timeline is as follows:

- November 2020 – Design Completed/Permitting Task Agreements Sign-off
- December 2020 – Permitting Begins
- January to February 2021 - Remedial Action Application into EPA
- May 2021 – More Public Outreach
- Fall 2021 – MMSD Bids Construction
- December 2021 – Possible WIFIA Application Signing/Award Construction Contract
- March 2022 – Mobilization Construction est: 1.5 – 2 Years
- Late 2023 – DMMF Completed – Open for Fill
- 2024 – 2027 – Fill Placement
- Decades Later – Capping of Facility

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

Tonnage is down by 20% as compared to 2020. The Port is down in dry bulk and steel cargo areas. International steel has had a gradual start, down 45% compared to last year. Port Director Adam Tindall-Schlicht attributes this decrease to international tariffs and the effects of the pandemic. Federal Marine Terminals (FMT) shows that June has six (6) international vessels scheduled to arrive at the Port. The Port is optimistic that the decrease in tonnage and international steel will be alleviated as the summer continues.

Recent marketing activities include lease negotiations with FMT, which are still underway. The Port expects these negotiations to be finalized soon. The HWYH20 annual conference is planned to be held in November 2021 in Toronto, Canada. Maria Cartier is on the planning committee. MMAC had their first in person networking event called Madison Night Out, which

was very successful. The Port is down to the final five (5) candidates for hiring the Marketing & Communications Officer position.

The Port participated in marketing initiatives in print, video and digital, one in which Jazmine Jurkiewicz, Trade Development Representative, was quoted. Adam Tindall-Schlicht was featured in a trade talking podcast, and also participated on a panel and presented at the international GreenTech2021 conference.

The annual Foreign Trade Zone (FTZ) roundtable is scheduled for July 13, 2021. Customs and Border Protection (CBP) Port Director Bill Braun is scheduled to retire in July of 2021. The updated FTZ brochure is under development.

The Milwaukee Cruise Collaborative informational meeting for community stakeholders was held on June 8, 2021. The Port is expecting 2022 to be its busiest year for cruising. Alaska has been granted their requested waiver for the Passenger Vessel Services Act; this does not include the Great Lakes. The Port's new x-ray trailer has been delivered. Training will be scheduled shortly.

**V. PORT MILWAUKEE OPERATIONS REPORT – Wayne Johnson**

The Port has received 12 salt ships, five (5) steel ships, three (3) steel barges, one (1) project barge (kiln sections), four (4) barges at Liquid Petroleum Dock and 27 cement ships. The Port is auctioning a front-end loader for \$5,600 and expecting a visit from the Marine Academy training vessel on Tuesday, June 8, 2021.

After 43 years of service to the City of Milwaukee, Wayne Johnson, Port Milwaukee Harbor Master, announced his official retirement in a prior BHC meeting. His last day of employment will be Friday, June 11, 2021. Wayne read a heartfelt thank you letter to the members of the BHC, Port Milwaukee staff, and the many tenants who he has supported in his tenure as Harbor Master.

The BHC, Port staff, BHC President Tim Hoelter and Port Milwaukee Director Adam Tindall-Schlicht responded with their deep appreciation for Wayne's service to the City of Milwaukee and Port Milwaukee.

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

The Port is slightly ahead of salary expenses when compared to last year. There were salary changes that required some adjusting. The Port will have a few weeks of two (2) vacant positions not being paid until those positions are filled. This will help mitigate the gap.

The Port is well positioned from a revenue prospective, 10% ahead of last year. Expenses are also ahead of last year, but Port revenue is ahead of expenses.

The Port has about \$242K in delinquent accounts. In 2018, the Port was at \$347K. While there is still work to do, finance is continuing its efforts to collect on these accounts, which has been fairly successful.

**VII. PORT MILWAUKEE ENGINEERING REPORT – Brian Kasprzyk, Steve Paczesny**

Great Lakes water levels are lower by about a foot and half when compared to last year. The trend is continuing downward.

The *Larry Sullivan* was launched last month. This is the survey vessel that includes many upgraded, state of the art tools for surveying the water and underwater infrastructure. Matt Gwiazdowski has been learning and testing the equipment.

Rail replacement work is continuing on a daily basis. There are two (2) large rail preservation grants funding these efforts.

## **VIII. PORT MILWAUKEE DIRECTOR'S REPORT – Adam Tindall-Schlicht**

### **a) Recent & Upcoming Events**

- i. **Historic Third Ward Association (HWTA) Annual meeting**
  - Port as invited guest speaker, April 21, 2021
- ii. **All Port Tenant Meeting**
  - First gathering of Port tenants since COVID-19, May 18, 2021
- iii. **Lakeshore Development Advisory Committee (LDAC)**
  - Act as Harbor Commission representative, May 26, 2021
- iv. **“Wayne Johnson Day” in City of Milwaukee**
  - Proclamation by Mayor Tom Barrett, June 11, 2021
- v. **Harbor Master Oath of Office for Eric Polzin**
  - Appointment of new Port Facilities Supervisor, John Dermeyer, June 14, 2021
- vi. **Annual Trade and Business Development Meetings with Port of Muskegon**
  - Jurkiewicz, Cartier and Tindall-Schlicht to attend, June 16-14, 2021
- vii. **U.S. Army Corps – Great Lakes Inspection Tour (GLINT)**
  - Kasprzyk, Paczesny, Polzin and Dermeyer to attend, June 16, 2021

### **b) Ongoing Work**

1. **Memorandum of Understanding: Wisconsin & Quebec**
  - Sub-committee work continues led by Port staff
  - Finalization in September 2021 is anticipated
2. **Ongoing Lease Negotiations**
  - U.S. Navy (to be determined)
  - Compass Minerals (*on pause*)
  - Federal Marine Terminals (*in review in Montreal*)
    - Following in-person negotiations on May 6 and May 7
3. **Coordination on Sea Scouts relocation**
  - Led by South Shore Yacht Club
  - Support from City Hall, including the Office of the Mayor and the Common Council
4. **Planning for Annual Meeting of the Wisconsin Commercial Ports Association (WCPA)**
  - Washburn, WI - August 2021
5. **Planning for Annual Meeting of American Great Lakes Ports Association (AGLPA)**
  - Portage, Indiana - August 2021

### **c) Near Term Priorities**

1. **“Return to Work”**
  - Updated City policy requires return on June 21, 2021
  - Hybrid work model for telework eligible employees
2. **Common Council tour of Port, Harbor on Joey D**
  - Invitations sent for various dates in July and August, 2021
3. **Annual certification of South Shore Mooring Field permits**
  - Permits due June 30, 2021
  - On-the-Water inventory tentatively scheduled August 2021

4. **Implementation of Municipal Street Light Fee**

- Applicable to the Port and its tenants, implementation to be determined

d) **Other Reminders**

1. **August 12, 2021 – BHC Meeting**

- Tentatively scheduled for 8:00 a.m. to 11:00 a.m.  
Robust business schedule expected

2. **December 12, 2021 – BHC Meeting**

- Port staff may request meeting reschedule at BHC convenience  
Rhonda Ronsman to complete availability survey

**IX. ADJOURNMENT**

*Commr. Kathy Smith's motion for adjournment was seconded by Commr. Claude Krawczyk and carried by the following vote:*

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

**NAYS:** None

Pres. Tim Hoelter adjourned the April 8, 2021 at 10:47am.