

MINUTES OF THE
BOARD OF HARBOR COMMISSIONERS
February 13, 2020
Port Milwaukee - 2323 S. Lincoln Memorial Drive

PRESENT: Commrs. Borkowski, Smith, Krawczyk, Mastantuono, San Felippo, Pres. Hoelter
EXCUSED: Commr. Diel

ATTENDANCE:

Jeff Fleming, DCD	Steve Paczesny, Port
Tonya Boll, Harbor Patrol	Jazmine Jurkiewicz, Port
Greg Bird, Resident	Brian Kasprzyk, Port
Larry Sullivan, Port	Jackie Carter, Port
Selena Cole, Port	Brian Kasprzyk, Port
Mary Schanning, City Attorney's	Larry Sullivan, Port
Jeff Osterman, LRB	Selena Cole, Port
Wayne Johnson, Port	Bryan Wunar, Discovery World
Clayton Cabellos, Port	Adam Schlicht, Secretary
Milw. Journal Sentinel	Donna Luty, Asst. Secretary
	Jeff Osterman, LRB

Approve December 12, 2019 Minutes

Commr. San Felippo's motion to approve the December 12, 2019 minutes was seconded by Commr. Smith and carried by the following vote:

AYES: Commrs. Borkowski, Smith, Krawczyk, Mastantuono, San Felippo, Pres. Hoelter
NOES: None
EXCUSED: Commr. Diel

Approve Contract 671 – Asphalt Pavement Repair and Maintenance (Larry Sullivan)

Two bids were received in response to Contract 671 for asphalt pavement repair and maintenance work on the Port's South Harbor Tract.

Stark Pavement Corporation was the lower bidder and has performed satisfactorily on similar work for the Port and the City of Milwaukee. Staff has reviewed Stark's bid and found that it has met all the requirements of the bid documents. Stark has committed to 50% SBE requirement.

Staff requested the Board approve Contract 671 to Stark Pavement Corporation for the amount of its unit price bid extended, \$112,402.30.

Commr. Smith's motion to approve Contract 671 was seconded by Commr. Mastantuono and carried by the following vote:

AYES: Commrs. Borkowski, Smith, Krawczyk, Mastantuono, San Felippo, Pres. Hoelter
NOES: None

Approve 2020 Municipal Port Tariff (Adam Schlicht)

Staff reviewed the Port's 2020 Municipal Tariff and recommended generalized changes in wording for clarification of Port service offerings, a general rate increase of 1 - 2% for various charges assessed by the Port, and removal of redundant footnotes, language, and editorial effects for ease of readability.

Port staff requested the Board approve the 2020 Municipal Tariff as amended to become effective April 1, 2020.

Commr. San Felippo's motion to approve the 2020 Port Municipal Tariff was seconded by Commr. Smith and carried by the following vote:

AYES: Comms. Borkowski, Smith, Krawczyk, Mastantuono, San Felippo, Pres. Hoelter
NOES: None

Approve 2020 Harbor Assistance Three-Year Statement of Intentions (Adam Schlicht/Larry Sullivan)

In order to be eligible for future grants under the State Department of Transportation Harbor Assistance Program, an annual update of the Port's three-year Statement of intentions is required to be submitted to the State Department of Transportation by April 1 each year. The State Department of Transportation uses this listing of potential future projects for budgeting purposes. It is neither an application for funding, nor does it represent, in any way, a financial commitment by the City.

Staff requested the Board adopt the attached Statement of Intentions and direct that it be submitted to the Common Council for approval and transmitted to the State Department of Transportation by April 1, 2020.

Commr. Smith's motion to approve the 2020 Harbor Assistance Three-Year Statement of Intentions was seconded by Commr. Krawczyk and carried by the following vote:

AYES: Comms. Borkowski, Smith, Krawczyk, Mastantuono, San Felippo, Pres. Hoelter
NOES: None

Discussion on Port Flooding on January 11, 2020 (Adam Schlicht/Wayne Johnson)

Hardest hit area is northeast corner of Jones Island.

Slides of the flooding from January 11 were shown. Prior to the flooding staff kept abreast on weather conditions during the day through NOAA. On Saturday, about 60-70% of Jones Island was covered with 6"-4' of water causing public access to be closed. Immediate action was taken using the Port's emergency response protocols to notify essential staff and tenants. Wayne and Adam began inspections immediately. Milwaukee Police was on scene to block traffic from entering the Island. Public notifications via correspondence, website and emails were sent to customers and tenants to stay away from the Island. Staff also sent correspondence to external stakeholders, i.e. city and county emergency response officials and other city departments.

Assessments of damages continued Sunday morning and the week ahead. Part of the Port was opened on Monday and an all staff emergency meeting was held. Dr. Williams, Director of the State of WI emergency management, was on site as well. It was assumed to be \$1 million or more of damages. By Wednesday Jones Island was fully opened to truck and rail operations.

Adam met with various organizations to discuss what state and federal resources were available. The outpouring of support was immediate. The Army Corps of Engineers sent its team to meet with staff. Congresswoman Gwen Moor and Senator Tammy Baldwin's office offered its support.

State regulations allows a Port Director to issue an emergency contracting exception for unique cases in which the Port would need to hire contractors immediately to help with emergency reconstitution.

The County Executive conducted its own state of emergency, which was followed by the Governor's declaration state of emergency, which allowed FEMA to be on site three days later.

Current estimates one week after the flood has been estimated at \$1.4 million in damage. It is anticipated that the figure will increase as assessments are not complete due to port facilities are under snow and ice. As spring arrives, there will be new damage that was not visible before the thaw.

South Lincoln Memorial was significantly damaged. This is the most overall used street for public access on and off the Island. It will cost \$1 million to repair. It is not known how much is flood damage or normal wear and tear related damage. This estimate will be kept separately from the flood damage assessments.

Staff will be documenting all damage, taking pictures, and brining in technology for the next few months to help with analyses. Adam is working with the City Attorney's office, which has stated the order of funding to recover costs from the flooding starts with insurance, state funding, then FEMA. Less than 40% can be covered by insurance.

President Hoelter commended Port staff with the speed and effort which it addressed this emergency.

This was received as information only.

Discussion on Viking Cruise Announcement (Jazmine Jurkiewicz)

An announcement was made last month that Viking Cruise will be arriving to the Great Lakes with its new expedition class vessels in 2021. It is rated number one choice of cruises by 'Cruise Critics.' Port Milwaukee will be its home port.

Viking Cruises focus is based on wildlife/nature, landscape/scenery, hydrogeology/ environment, art/music and culture/history.

Three itineraries include Toronto to Milwaukee, Milwaukee to Thunder Bay and Thunder Bay to Milwaukee. A total of 11 scheduled visits are expected in 2022, with 18 days of docking at Port Milwaukee. An estimated 8,300 guests will be brought to the Great Lakes during the summer cruising season and several pre and post cruise extensions will be offered in and from Toronto, Thunder Bay and Milwaukee.

This was received as information only.

Discussion on Police, Fire, and Safety Costs related to Milwaukee World Festivals (Commr. Mastantuono)

Commr. Mastantuono continues to engage in ongoing discussions with the City Attorney's Office, Milwaukee Police Dept., and Milwaukee World Festivals concerning this matter.

This was received as information only.

Finance Report (Jackie Carter)

Estimated revenue was over 22% and expenses were expended with some funding left over. There will be a request for transfer in March through the carryover process for events regarding salary changes, which occurred in 2019 and with expected events to occur this year (using last years funds).

Receivables continue to be worked on getting rid of old balances. The current account is 49%; almost 50% of what is outstanding. Jackie Carter will meet one on one with Tenants during the next few months to get this under control.

There is a 33% increase in the revenues/expense report. Utility rent is down slightly. There is an \$820,000 return to the general fund.

This was received as information only.

Engineering Report (Larry Sullivan/Brian Kasprzyk)

Staff has been representing the Port for the DNR's request to the Environmental Protection Agency (EPA) that Milwaukee be a designated area of concern (AOC) to free up federal money. The Common Council adopted a resolution partnership with the EPA and DNR. This is moving ahead.

The Grand Trunk site grant is handled by the Dept. of City Development. It has a design and \$4 million to do construction. It needs an additional \$1 million. This continues to be underway.

The Harbor Assistance grant to relevel the floor at Lake Express is underway. Completion is set for end of March.

Some work is complete regarding the DOT rail preservation grant for rail crossing on the Port's South Harbor Tract. There are a few phases left to be finished.

The Coastal Zone Management grant for the survey boat has arrived and will be commissioned soon along with installing inspection equipment. This continues to progress.

The water level for the next six months is expected to be above normal.

This was received as information only

Trade Development, Marketing, and Foreign Trade Zone Report (Jazmine Jurkiewicz)

Last year's tonnage (2.6 million tons) exceeded 2018 tonnage; the largest since 2011.

Staff added lumber as a new cargo.

Dry bulk cargo shipments totaled 1.93 million tons. Salt throughput increased 56% and cement was maintained at 7%. Limestone grew by 20%. Steel cargoes totaled 186,209 tons; general cargoes at 3,071 tons. Liquid bulk shipments are back on line. U.S. Oil has hooked up to the liquid bulk dock. Grain shipment was down due to negative trade environment. Staff is collaborating with COFCO to export Wisconsin agribusiness.

Staff continues to periodically update the Port's social media. It uses a mix of local, national and international publications for advertising and is in process of analyzing other avenues to advertise.

Staff attended 80% of the targeted 2019 trade shows, conferences and industry events per its marketing plan.

Jazmine met with Insight Magazine regarding the Foreign Trade Zone. This is an 18 county publication in northeastern Wisconsin.

Chad Hoffman is with the Milwaukee 7 Export Development Grant Program and advises on Foreign Trade Zone potentials. He is moving to a new role at the small business development center as the international trade consultant.

The Port will be representing International Trade Day. Round table discussions will be held on how the program works. Jazmine will attend the "Women in Supply Chain" panel discussion on February 27 to promote the FTZ.

* Commr. Mastantuono was excused.

This was received as information only

Operations Report (Wayne Johnson)

The Port's security plan is being worked on for review by the Coast Guard at the end of the month.

This was received as information only

Approve Discovery World 2020 Summer Events (Bryan Wunar)

Discovery World (DW) has an \$8.5 million operating budget for 2020. Last year over 300,000 visitors were served and an estimated 67,000 children attended field trips.

Events for this year include Milwaukee Museum week, Bartolotta's Family Food Fest, free admission day, Sci-Fi Family day and others.

The Democratic National Convention will be a large impact for DW. It anticipates it will be one of the primary events venues. Bryan Wunar sees this as an opportunity to showcase DW as a part of Milwaukee and to generate revenue that will be put back into the mission-orientated aspects of DW. DW is considering closing access to the general public during the DNC for security measures and will not offer onsite summer camp programming during the convention.

The S/V Denis Sullivan will celebrate its 20-year anniversary. It completed its Haul Out and 10-year Coast Guard inspection, which has allowed DW to develop its long-range development plan. DW's intent is to hold a Mini Tall Ship Festival August 14-16. DW will be asking permission to restrict access to its south dock, where the Sullivan will be docked. This will help control the numbers of people and keep accommodations safe.

DW is working on expanding its educational presence. It will launch a program for Inquiry Science Instruction (PISI). Emphasis will be on supporting classroom teachers to increase the quality of science teaching. This is a pilot program. DW staff will work with 20 teachers to work out the process in hopes to scale it to reach as many schools as possible.

DW will hold several camps this year starting in June. There will be 2,000 available spaces. Funding has been secured for 400+ scholarship students.

A new exhibit called Mind, Body, Me is in the process of becoming a permanent exhibit. The goal is to open by 2021.

A Great Lakes Future exhibition was renovated and secured funding from external partners is available for updating the fresh water exhibition. The aquarium is a big draw for DW; however, some of the infrastructure is aging. DW will upgrade the capacity and recast the story line by exploring Great Lakes conservation.

Commr. San Felippo's motion to approve Discovery World 2020 Summer events was seconded by Commr. Smith and carried by the following vote:

AYES: Commrs. Borkowski, Smith, Krawczyk, Mastantuono, San Felippo, Pres. Hoelter
NOES: None

Approve Discovery World Request for Temporary Public Access Closure (Bryan Wunar)

DW is considering closing access to the south dock to the general public August 14-16. Two tall ships will be docked here. Staff will be stationed to allow guests to access these ships. For security measures, DW has requested the Board's approval to restrict access.

Commr. San Felippo's motion to approve closing the south dock public access to the general public was seconded by Commr. Smith and carried by the following vote:

AYES: Commrs. Borkowski, Smith, Krawczyk, San Felippo, Pres. Hoelter
NOES: None

* Commr. San Felippo was excused.

Directors Report (Adam Schlicht)

Adam continues to coordinate with other City departments concerning the finalization of the land sale (54 acres on the waterside Solvay Coke property on East Greenfield Avenue) to Komatsu. Completion is expected by March or April. Any proceeds from the sale will be returned to the Port.

The U.S. Navy has requested adjustments to vegetation around its parcel due to Homeland Security regulations. Port staff and Alderman Zielinski are supportive of this matter.

Revisions to Port weather, alternative work schedule, fireworks, and exit interview policies have been updated and implemented and Port tenants completed a security plan exercise last month.

Adam represented the Port at the Great Lakes Waterways conference and meetings at the Port of Chicago. Discussion included new opportunities to expand between Milwaukee and Belgium.

New office build outs were added to the Marketing department. At the request of the Common Council, Port staff will expand its international trade with the Milwaukee's Sister Cities.

This was received as information only.

There being no further business, Commr. Smith's motion to adjourn was seconded by Commr. Borkowski and carried by the following vote:

AYES: Commrs. Borkowski, Diel, Smith, Pres. Hoelter

NOES: None

Respectfully submitted,

/s/

Donna Luty
Assistant Secretary