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PORT AND SOLID WASTE DIRECTOR

**PROCEEDINGS OF THE BROWN COUNTY HARBOR COMMISSION**

A meeting was held on Monday, **October 13, 2008**, 11:30 A.M., at Holiday Inn – City Centre, Green Bay, WI. The meeting was officially called to order by President McKloskey at 11:30AM.

1) Roll Call:

- Present: President Neil McKloskey
- Vice-President Tom Van Drasek
- Commissioner Bill Martens
- Commissioner Hank Wallace
- Commissioner John Hanitz (left at 1:15PM)
- Commissioner Bernie Erickson (left at 1:10PM)
- Commissioner Ron Antonneau (arrived at 11:40AM)

Also Present: Charles Larscheid, Brown County Port & Solid Waste  
Dean Haen, Brown County Port & Solid Waste



2) Approval/Modification – Meeting Agenda

**A motion was made by Hank Wallace and seconded by Tom Van Drasek to approve the agenda.** Unanimously approved.

3) Approval/Modification – September 8, 2008 Meeting Minutes

**A motion to approve the September 8, 2008 meeting minutes (noting that Tom Van Drasek should now be shown as Vice-President) was made by John Hanitz and seconded by Bill Martens.** Unanimously approved.

4) Harbor Fee Discussion

Manager Haen indicated this is the continuing discussion of the Harbor Fee due to the following:

- Fee has not been revised since 2001
- New potential users that do not fall into our normal fee structure
- Carver Yachts coming to the Port of Green Bay
- Another potential shipbuilder coming to the Port of Green Bay (to be announced soon)
- Fox River Cleanup
- Project cargo (Yankee dryers and WE Energy’s equipment went through the Port last year, however our fee did not address these shipments)

Director Larscheid mentioned that the issues concerning the Harbor Fee were discussed with the County Executive and will also be brought before Planning, Development & Transportation (PD&T) at their next meeting. Before any resolution

or recommendation is made, staff is requesting feedback from the Harbor Commission, County Executive, County Board and the terminal operators. Larscheid made clear that the proposed fee increase was not connected with the current County budget. The new Harbor Fee could be in place by the next shipping season.

Commissioner Erickson requested that when Director Larscheid brings this before PD&T that it is shown as an agenda item rather than under the Director's Report.

Larscheid assured the Commission that any changes or recommendations would be brought back before the Harbor Commission for their input and review.

Manager Haen provided copies of the original 1994 Harbor Fee and the modification made in 2001. Haen noted that in 2001, the fee was reduced by 50% and the entire fund balance returned to the terminal operators. The current fund has a balance of approximately \$355,000.

Manager Haen reviewed the establishment of need and provided a forecast of upcoming projects:

- 1) Cat Island
  - projected County share \$1.1M
  - completed over a 30 year time island by island
- 2) Renard Island
  - projected cost to County \$30,000/year
  - beginning about one year from now and continuing for 10 years
- 3) Fox River Cleanup Litigation
  - Brown County listed as potential PRP
  - \$25,000/month in legal fees for possibly two years

Total funding needs approximately \$2M

Haen discussed the Port funds available:

- 1) \$355,000 - Current harbor fee balance
- 2) \$400,000 - Siting fund through 217 agreement for new CDF
- 3) \$680,000 - Harbor dredging fund (tip fees at BayPort)
- 4) \$440,000 - Future harbor fees at the current level

\$1,900,000 – Total funds available including interest on investments

Haen noted that even if the Port exhausts all their resources, the unfunded portion of \$144,000 will still be needed.

Larscheid reminded everyone that the Port & Solid Waste Department is an enterprise fund which limits the available sources for raising money.

Haen strongly suggested meeting with the terminal operators and providing them with the Port's vision and upcoming financial needs, especially in light of the current economic conditions.

Director Larscheid brought up the fact that the money currently designated for the Fox River Cleanup is for retaining legal counsel only. If the County is found even .01% liable it would be a substantial amount. The legal fees are being dispersed from the regular port budget. The annual budgeted amount for the Port is \$200,000 with \$100,000 of that being available for discretionary spending. Brown County is without a Corporation Counsel at this time.

Haen hopes that by preparing for this in advance, only a small amount of money will be necessary over time to meet the future financial needs of the Port.

Manager Haen provided information, as requested by the Harbor Commission, on his research as to how the Port of Green Bay compares with other ports and respective harbor fees. The biggest difference Haen noted was that most other ports own the land, whereas the Port of Green Bay only owns the dockwalls and a slight amount of land behind it.

Haen's discussed the various ways harbor fees are accessed:

- Dockage
- Wharfage
- Dockage and wharfage
- Gross registered tons of the vessel
- Length of vessel

Wharfage is the current procedure used at the Port of Green Bay. Since all users benefit from dredging regardless of the amount of tonnage they bring into the Port, Haen suggested a sliding scale. Haen explained that this sliding scale would reward those bringing in the most tonnage with a lower fee. The sliding scale would be in increments of 100,000 tons. Haen also included separate rate categories for 1) project cargo 2) yachts by gross registered tonnage 3) active users and 4) inactive users.

President McKloskey recommended continuing with a wharfage charge since it would make the transition easier for the terminal operators and the fee for barges would be easily adaptable. McKloskey also recommended a set Special Project fee be accessed on yachts regardless of the size or weight.

Director Larscheid asked whether commercial port-related activities such as the Foxy Lady or commercial cruises should be included in the harbor fee assessment.

Discussion ensued on the pros and cons of the harbor fee specifically addressing the following concerns:

- assessment by dockage or wharfage
- length of time these fees would be in effect
- sliding scale
- percentage of increase
- flexibility in resolution to adjust rates and fees as needed
- review on annual basis
- review of acceptable uses of the fees collected
- benefits of paying the harbor fee
- active and inactive minimum amount
- special project fee guidelines
- special fees for Fox River Clean-up project

President McKloskey reviewed the final decision made by the Commission on what they recommended: Wharfage will be used as the method of assessment. The new fee will be as shown in the "Current 3%/year Adjusted Harbor Fee" column on the Agenda Attachment #4, B Wharfage. A special rate fee will be included showing a fee of \$375 per vessel. Barges will be assessed at one-half of the current harbor fee and shown under the category of Remedial River Barging.

The proposed harbor fee will be written as recommended by the Commission and presented to the terminal operators at a special meeting and then taken to the PD&T and County Board for review, changes, and/or approval.

5) 2008-2009 Scope of Service for Renard Island Groundwater Monitoring – Request for Approval

As requested by the Commission, Manager Haen reviewed the fees being charged by Foth Environmental & Infrastructure for work at Renard Island. Haen checked with several different labs and confirmed that Foth is using the least expensive. Foth did agree to reduce their cost by \$3000 from their administrative oversight. Haen also indicated he added two additional tasks to the services requested from Foth. 1) sediments at BayPort (to be discussed further during Agenda Item #10), and 2) additional testing of Renard Island sediments for arsenic, cadmium, lead, etc. The total amount due for these 4 service requests is \$29,475 Haen stated Foth agreed to lower the cost of Task #3, which is the ongoing task of semi-annual monitoring, from \$24,800 to \$20,730. Haen indicated he did not look into other engineering firms and their prices since it was his understanding work would be continued with Foth.

Director Larscheid bought up the point that the professional services for Foth for the end of 2008 through 2009 have not been approved in the 2009 budget yet but it is assumed they will be approved. Larscheid noted that any motion made today approving this request would be contingent on County Board approval of the 2009 budget. **A motion to approve was made by Tom Van Drasek and Ron Antonneau.** Unanimously approved.

6) Bylsby – Contract with STS Consultants – Request for Approval

Manager Haen indicated that remediation has been done on this property and the closeout title has been received from the Wisconsin Department of Commerce. The man-made wetlands at the back of this property can now be addressed. Haen met with STS Consultants to draw up a formal building permit requesting approval to remove the tank bases on the property. Haen noted there may be a mitigation request. Staff is requesting \$5000 to retain STS to complete the wetland boundary delineation as well as prepare a permit application and mitigation plan.

**A motion to approve was made by Bernie Erickson and seconded by Ron Antonneau.** Unanimously approved.

7) U.S. St. Lawrence Seaway Ballast Water Inspection Policy – Video

Manager Haen brought along a video on the new program for ballast water referred to as "Swish & Spit" however, due to time constraints the video will be viewed at the next Harbor Commission meeting.

- 8) Tonnage Report  
Manager Haen reviewed the tonnage which looks favorable and is higher than last year.
- 9) Director's Report  
Director Larscheid discussed a memo received from Bernie Erickson on behalf of the County Board indicating the Port & Solid Waste Department (P&SW) should be prepared to make one or more cuts or adjustments to their budget if called upon to do so. Erickson indicated this was a memo sent to all departments. The Commission expressed their concern that the Port does not have any additional money and that even making cuts would not affect county taxes. Larscheid noted that the \$3M bond for the Shell Oil Property was removed from the 2009 P&SW budget.
- Manager Haen stated the City of Green Bay is requesting an easement on part of the property at BayPort. The City currently has a trail going along the property and is looking to expand that area. Since this property cannot be used by the Port, Haen is requesting the City of Green Bay purchase the property in question. The Commission noted the County is waiting for an assessment from the City on this property and that should be used as a negotiating tool.
- 10) Outer Harbor Sediment Characterization  
Manager Haen reported that the sediment tested at BayPort for permeability came back at 10 to the -7 permeability which indicates clay-like soil. Haen is optimistic this test result will convince the City of Green Bay that their request for the County to put on an additional 2' layer of clay will not be necessary.
- 11) USACE Dredged Material Management Plan  
The USACE has prepared a draft Dredged Material Management Plan to meet the Green Bay Harbor's disposal needs for the next 20 years. The plan identified Cat Island Chain Project and the continued use of Bay Port as the least costly option. Brown County has submitted comments on the plan. This plan will result in the Cat Island Chain project proceeding with expected use in 2012.
- 12) Audit of Bills – Request for Approval  
**A motion to approve the bills was made by Bill Martens and seconded by Neil McKloskey.** Unanimously approved.
- 13) Such Other Matters as are Authorized by Law  
None
- 14) Adjourn  
**A motion to adjourn was made by Hank Wallace and seconded by Ron Antonneau.** Unanimously approved.

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Neil McKloskey, President  
Harbor Commission

Charles Larscheid, Director  
Port & Solid Waste Department