Board of Harbor Commissioners (BHC) Meeting Minutes

Thursday, August 10, 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, President (Pres.) Tim Hoelter, Craig Mastantuono, Vice President (VP) Ron San Felippo, Kathy Smith and Diane Diel.

**OTHERS IN ATTENDANCE:**

Zach Sadowski

Gregory Bird

Jeramey Jannene

Richard Watt

Alex Carson

David Misky

**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

Eddie Carter Jr – Port Operations Technician

David Randolph – Port Operations Technician

Kenneth Radomski – Port Operations Technician

Jonathan Fera – Communications Officer

Selena Cole – Finance Specialist

Jackie Q. Carter – Port Director/Secretary

1. **BHC Meeting Called To Order**

Pres. Tim Hoelter called the August 10, 2023 meeting to order at 8:00 am.

1. **ACTION ITEMS**
	1. **Approve Thursday, June 8, 2023 Meeting Minutes**

Presented by Pres. Tim Hoelter

Following consideration and discussion by the Commissioners, Commr. Smith’s motion to approve the June 8, 2023 minutes was seconded by Commr. Mastantuono and carried by the following vote:

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

**NAYS:** None

1. **INFORMATIONAL UPDATES**
	1. **Grand Trunk Wetlands and Area of Concern (AOC)**

Presented by David Misky – Department of City Development (City of Milwaukee)

The federal government designated the Milwaukee River Estuary, which encompasses the Milwaukee River, Menomonee River, Kinnickinnic River, and Milwaukee Bay, as an area of concern. Mr. Misky delivered an update and discussed ongoing projects such as WE Energies' Milwaukee River sediment remediation, the GLLA Project Agreement Mod 2 that will begin this month, and the Dredged Material Management Facility Contractor Information and Outreach meeting. Other partners, in addition to the city of Milwaukee, have been working on individual projects, including Milwaukee County, the State of Wisconsin Department of Natural Resources (DNR), the Sewerage District, and the Environmental Protection Agency (EPA). The goal now is to consolidate efforts to delist as an area of concern.

It has been acknowledged that the current Dredged Material Disposal Facility (DMDF), which is currently handling contaminated sediment for WE Energies’ dredging project in the Third Ward, cannot handle all contaminated sediment from the Milwaukee Estuary AOC. It was concluded that a new Dredged Material Management Facility (DMMF) was required, which will be constructed by the Sewerage District in close work with the Port and will be capable of handling a large volume of sediment, approximately 1.4 million cubic yards.

In 2019, an agreement was reached with local, state, and federal governments for an initial $29 million to assess the scope of the problem. In 2021, the agreement was increased to roughly $70 million. It has since grown to about $175 million locally, with the city of Milwaukee contributing less than $1 million. The federal commitment is $300 million, for a total of $475 million, making this the largest agreement for the Great Lakes with this Great Lakes Legacy Act program. In addition, there has been a lot of public outreach initiated by the Community Advisory Committee that conveys these types of projects to the general public and allows for public input on the projects.

The Grand Trunk project goes back to about 2010-2011. In 2020, there was potential to create an opportunity for the Grand Trunk Wetlands and create economic and environment development for the Port and its tenants by creating 3 lots. At one point, DPW considered using part of the site for stormwater drainage and management for the neighborhood, but it was not financially or engineering feasible. In the last 5 years, testing indicated hazardous levels of polychlorinated biphenyls (PCB) in the South Marina Drive sewer and Grand Trunk slip.

Along with private property owners, DPW, DNR, EPA and DCD are working together to determine the source of contamination. More research is required to identify and remediate the source so that the wetland project can move forward. In order to include the sediment removal from the slip, the group needs to determine the source of the contamination as soon as possible.

Mr. Misky stated that he is willing to provide annual updates on the project to keep the Port informed.

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. Cement vessels are a bit higher, while cruise ships are about the same. There have been other special events, such as the Milwaukee Air & Water Show, which involved coordination with stakeholders to provide assistance to mariners and the Milwaukee Police Department (MPD) for the show. Assistance was provided to multiple media companies for commercial shoots on Jones Island. Operations staff helped Allhandsboatworks.org with Menomonee River cleanup prior to the start of their summer camps. Mr. Polzin went on to say that the X-ray trailer, which is used to scan luggage for cruise ships and has been plagued by problems, has been fixed and is now fully operational. Other updates include that a Port Technician has transferred to Department of Neighborhood Services. There are new speed/ no wake signs installed on breakwater main and South gaps. The Port hosted MPD Tactical Team training as well as TSA K9 acclimation training (Pier WI & CHLD). Attempts continue to provide Harbor Seagull training.

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

Ms. Carter provide her last Port financial report, as a new Finance and Administration Officer has been hired. Rich Watt will be joining on August 21, 2023 from another City department.

In comparison to 2022, revenue is on track. It is likely to pick up with DeLong’s activity. Due to vacancies, salary expenses are a little low. Operations expenses are typical. Marketing expenses have been more selective, with a focus on new opportunities. Receivables continue to decline for delinquent accounts. There have not been any new accounts. With outstanding cancellations, it is expected to decrease by the next meeting. There are no concerns with the current budget, but it is important to be mindful and monitoring as we approach budget season.

VP San Felippo mentioned the hiring process for the Finance & Administration Officer. He indicated the thoroughness and care in the process, which resulted in an excellent candidate.

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

Mr. Kasprzyk discussed the water levels, which are stable and slightly above long-term average. Outside of exceptions, predictions tend to follow historical trends.

Mr. Kasprzyk provided an update on the May 19, 2023 train derailment. The track has been repaired and is now operational. The total cost of repairs, including track repairs and new steel and ties, is around $64,000. Ties were in poor condition and would have been replaced in the future. Rail car recovery will cost around $2,000 to Union Pacific. Going forward, inspections will continue to avoid another occurrence.

Mr. Kasprzyk went on to provide DeLong updates. The activity has begun. Rail cars have arrived, with service with both Canadian Pacific and Union Pacific. The first vessel with approximately 8,000 MT loaded arrived June 27, 2023 with the next one scheduled for early September.

The second grant application has been submitted, but there have not been any recent updates. The original PIDP grant, for which the city contributed $5.7 million, was for demolition and site preparation, as well as rail expansion. The rail expansion is expected to be completed in mid-September or early October. The Port is constructing 11,000 feet of new rail DeLong-specific to serve their facility. They have brought in roughly 70 rail cars in the last month.

Mr. Kasprzyk continued with the MMSD CSO Relocation progress, which involves relocating a sewer that is currently impeding the construction of the new DMMF. This sewer is 20ft x 10ft and is a combined sewer overflow that is rarely utilized. South Lincoln Memorial Drive will be closed through next spring. The dockwall will be modified. The project has been staged very well in order to have the least possible impact on Port operations.

1. **PORT MILWAUKEE TRADE DEVELOPMENT REPORT – Maria Cartier/ Korey Garceau**

Ms. Cartier provided an update on tonnage, which is up 38% from 2022 likely due to dry bulk and salt. Steel and liquid bulk are also up. She went on to provide an overview of Port’s media relations activities. The ribbon cutting ceremony for DeLong received extensive press and media coverage. The Milwaukee Community Journal featured Ms. Carter. Several press releases were issued, including one about public access, the DeLong ribbon cutting, and the Port’s Pacesetter award. Events included the DeLong ribbon cutting, which was attended by the Governor, Mayor, the WI Secretary of Transportation, and the US DOT Deputy Maritime Administrator. Ms. Cartier attended Breakbulk Europe and staff attended the AGLPA annual meeting in Chicago.

Ms. Cartier discussed the Pacesetter Award, awarded to Ports that show international cargo growth. 2022 international tonnage grew 29% over prior year. This marks the 15th Pacesetter Award received.

Mr. Garceau provided a cruise update, stating that 12 cruise visits are remaining in 2023, bringing the total number of visits for the year to 30. In September, three vessels will make their season debut. Cruise guests have had the opportunity to visit the City of Festivals and participate in other community activities. Multiple vessels have been in port at the same time on several occasions, and Port staff have done well in meeting the challenges.

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

The Port Director discussed a variety of topics. Ms. Carter attended the 2023 Cruise Symposium in Quebec with all Great Lakes cruising participants. Staff attended the AGLPA regional meeting in Chicago.

Port 101 presentations, updates, and tours have been given to a variety of people, including Congresswoman Gwen Moore, Waukesha County Business Alliance and MARAD Deputy Administrator Tamekia Flack, and the Gateway Administrator. The purpose is to educate people about how the Port works.

There has been collaboration and work with City partners. Discussions with Employ Milwaukee are ongoing around employee retention, particularly as it relates to Port Operations Technicians and how to assist them in career development. Discussions for I-794 continue with DCD and DPW. We are listening in order to find a way to meet everyone’s needs. Port staff also met with the new City Chief Equity Officer. We intend to increase departmental efforts.

Ms. Carter provided an update on Port vacancies. The Port Operations & Maintenance Technician position has two vacancies. DER has established a series for the Port Operations & Maintenance Technician (Port Tech), which eliminates the title of Crane Operator title and increases the position authority for Port Techs from 8 to 10. The Port Operations series is part of a citywide maintenance and trades classification study. Based on competencies, there will be four levels. This is intended to address pay progression and retention issues. The Administrative Assistant III position is still vacant. Options for how to proceed with filling the position are being discussed with DER. The Finance & Administration Officer position has been filled, with Richard Watt joining Port Milwaukee on August 21, 2023.

Ms. Carter responded to an FTZ query by saying that the Port is aiming to highlight the FTZ program at a manufacturing summit as part of exploring new marketing opportunities. Additionally, staff have been communicating with other ports to collect information about FTZs that had not previously been considered.

1. **ADJOURNMENT**

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

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

**NAYS:** None

Pres. Hoelter adjourned the August 10, 2023 Board of Harbor Commissioner’s meeting at 9:35 a.m.