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FOX RIVER NAVIGATIONAL SYSTEM AUTHORITY

Summary of Proceedings

Fox River Navigational System Authority Annual Meeting
3:00 P.M. Tuesday, June 24, 2014
Authority Office
1008 Augustine Street, Kaukauna, WI

Authority Members in Attendance:

Ron Van De Hey, Outagamie County
Will Dorsey, Wisconsin Department of Transportation
Jean Rombach-Bartels, Wisconsin Department of
Natural Resources
Tim Rose, Outagamie County
John Vette, Winnebago County
Daina Penkiunas, Wisconsin State Historical Society
Bill Raaths, Winnebago County
John Shier, Brown County

Authority Members Absent:

Open, Brown County

Guests and Staff in Attendance:

Phil Ramlet, Omni
Harlan Kiesow, FRNSA CEO
Robert Stark, FRNSA COO
Rodger Urbanek, FRNSA Administrative Assistant
Reed Rodenkirch, Boldt Construction
Jason Volrath Erickson & Associates

Chairman Ron Van De Hey called the meeting to order at 3:03 P.M.

1. Introductions:

Chairman Ron Van De Hey asked all present to introduce themselves to the meeting.

2. Approval of Minutes of the May 2014 Authority Meeting:

Chairman Van De Hey asked for approval of the Minutes of the last meeting.

Motion to accept the Minutes of the last meeting and Motion seconded.
Chairman Van De Hey asked for any comments or questions. Motion
carried.

2. Election of Officers (Bylaws Article III, 3.02)

Chairman Van De Hey explained that at the Executive Board Meeting, held earlier in the day, present Board Officers agreed to serve for 2015. The current Board Officers are Chairman Ron Van De Hey, Vice Chairman Bill Raaths, Secretary John Vette, Treasurer Tim Rose. Chairman Van De Hey asked for a motion to approve the 2015 roster of officers. John Shier so moved seconded by Jean Romback-Bartels. Motion carried unanimously

4. Financial Status Reports, T. Rose

a. Operational Budget

Tim Rose directed everyone to the Mortified Cash Flow Statement which reflects the Operational Budget. Tim Rose reviewed areas where we are over budget. One areas that we are over is Utilities. Tim explained that they are talking with Boldt about their use of utilities and who is going to pay for them

b. Capital Budget

Tim found the Capital Budget to be in line. It looks like overall we should make our budget. Chairman Van De Hey asked for a motion to accept the Financial Status Reports. Tim Rose Moved to accept the report. Motion seconded by Will Dorsey. Motion carried.

c. Unlock the Fox Fund

Tim Rose pointed out that the Fund balance \$20,291,000, which is a little down from the previous month. This was due to some significant withdrawals. Tim noted that we made a fair amount of money during the month (May 2014) with a return of 14.45 % and our Since Inception return is at 6.94%. Tim said that overall we are doing pretty well. Tim said Harlan Kiesow, Ron Van De Hey and he met with the Foundation and will be meeting with them again slowly but surely working our way through the MOA to get that in line so that it can be turned into the Department of Administration. Tim said for the most part the issues have been worked out.

5. Resolution 7-14: Approving FY 2013 Audit

Jason Volrath went over the audit with the Board reviewing the Management Letter, which found only three minor deficiencies. Segregation of Duties, 2) Preparation of Financial Statements, 3) Number and Type of Journal Entries. Jason note an improvement in the number of credit card receipts missing. Chairman Ron Van De Hey called for a motion to approve Resolution 7-14. Motion made by John Shier and seconded by Jean Romback-Bartels. Motion carried.

6. Resolution 8-14: Adopting the Fiscal Year 2015 FRNSA Budget

Harlan Kiesow presented the Board with the 2015 Budget. Harlan explain revenue was reduced by the Rent received from the Army Corps of Engineers since they will be vacating in 2015. The capital fund draw was increase by \$90,000. Expenses in Utilities increased due to some of the work Boldt is doing. Harlan noted an increase in Advertising and Promotion. Salaries and wages are up due to some changes. Lock

Tenders have been increased in numbers and hourly wages. Total expenses are up \$77,000. Chairman Van De Hey called for a motion to accept the Fiscal Year 2015 FRNSA Budget. John Shier so moved. Seconded by Tim Rose. Motion carried.

7. Engineering Committee Report, W. Dorsey

a. Resolution 9-14: Approving Kaukauna Lock 5 McMahon Engineering Consultant

Will Dorsey noted that the contract was approved previously for the oversight of Kaukauna Lock # 5 not to exceed \$ 7,000.00. Engineering Committee presents to the Board for approval Resolution 9-14. Will Dorsey Moved to approve the Resolution . Tim Rose seconded the motion. Motion carried.

b. Resolution 10-14: Approving Kaukauna Lock 5 Cornerstone Preservation Consultant

Will Dorsey noted that the contract was approved previously for Ann Biebel of Cornerstone Preservation to provide historical consultation on the Kaukauna Lock #5, rate not to exceed \$81.00 per hour on an as needed bases. Engineering Committee approved the Resolution and presents it to the Board for their approval. Will moved for the approval of Resolution 10-14. Seconded by John Shier. Motion carried

c. Kaukauna Locks 1, 2, 3, and Dry Dock Gates Update

Reed Rodenkirch of Boldt Construction gave an update. Reed said that the rain has hampered construction and as the weather gets better construction will increase. Reed passed out pictures showing various work that is being done on Kaukauna locks 1, 2, 3 and the Dry Dock Gates. Reed explained the work going on displayed in the pictures.

d. Resolution 11-14: Approve Boldt Kaukauna Lock Hardware Change Order

Will Dorsey explained the resolution on the change order for hardware. The Engineering Committee approved the resolution in the amount of \$7,348.00, and now presents it to the Board for approval. Will Dorsey moved to have Resolution 11-14 approved. Motion seconded by John Shier. Motion carried.

e. Resolution 12-14: Approve Boldt Kaukauna Lock #3 Upper Sill Repair Change Order

Will Dorsey asked Tim Bolwerk of Omni Associates to explain the change order. Tim explained the concrete repairs needed to the upper sill. Will Dorsey made the motion to approve Resolution 12-14, Boldt Change Order in the amount of \$ 23,883.00. Seconded by John Shier. Motion carried

f. Approve Boldt #008 Kaukauna Lock 1, 2, 3, and Dry Dock Invoice

Will Dorsey said that Tim Bolwerk and Phil Ramlet of Omni Associates looked the invoice over and found no discrepancies. The Engineering Committee approved the invoice in the amount of \$209,488.16. Will Dorsey moved that Boldt invoice # 8 be approved by the Board. Seconded by Tim Rose. Motion carried.

g. Resolution 13-14: Approve Oudenhoeven Kaukauna Lock #5 Wing Wall Foundation Change Order

Will Dorsey explained Oudehoven Change Order. Will said the Engineering Committee went with Alternate No. 1 in the amount of \$5,146.00. Will moved that the Board approve Resolution 13-14. Motion seconded by Daina Penkiunas. Motion carried.

g. Approve RFP for Little Chute Canal Walls Restoration Project

Will Dorsey said that the Engineering Committee has decided to go with a Design Build Contract and put that out on a RFP. Motion from the Engineering Committee to move forward with the RFP. Seconded by John Shier. Motion carried.

h. Menasha House Demolition Status

Robert Stark said the Archeological Study has been completed and delivered to the Wisconsin Historical Society and we are now waiting for that to come back. The next step is to get contracts to do the demolition.

8. Property Committee Report, D. Penkiunas

a. Resolution 14-14: Approval of Visitor Center CVB Grant Contract

Daina Penkiunas said in reviewing the CVB Grant Contract she noted that the Visitor Center had to be open by December 31, 2016. Daina Moved to approve of Resolution 14-14. Motion seconded by Tim Rose. Tim talked about getting people involved in this project. Getting people who represent interest in the community. Looking for funding from various sources. Working with architects and planning. Chairman Van De Hey called for the vote. Motion carried.

b. Approval of TDS Appleton Lock #1 Temporary Construction Easement

Daina Penkiunas said the Property Committee approved the Temporary Construction Easement of TDS Appleton Lock #1. Daina moved to approve the Temporary Construction Easement. Motion seconded by Tim Rose. Motion Carried

c. Approval of Little Chute Bridge MOA

Daina Penkiunas presented the Little Chute MOA. Property Committee approved the MOA. The agreement eliminates FRNSA from putting money in to the project. Daina moved to approve the Little Chute Bridge MOA. Motion seconded by Jean Romback-Bartels. Motion carried

d. Approve De Pere Lock Tender House Sub-lease

Daina Penkiunas reported that the Property Committee approved the De Pere Lock Tender House Sub-lease with Kavarna Coffee House. Daina moved to approve the Lock Tender House Sub-lease. Seconded by Jean Romback-Bartels. Motion carried.

e. Little Chute House Status

The project is moving on. Asbestos has been removed and electrical is being installed. Will be able to salvage the radiators but will need a new boiler.

f. Lawe Street House Status

Looking for an estimate for paint. House has lead paint on the soffits estimate on the removal is at \$11,000. Project to be painted by the end of summer or early fall.

9. Rapide Croche Transfer Committee Report, J. Shier

a. EA Status Update

Jean Romback-Bartels reported that two individuals in Madison are looking at the EA. One committed to reporting to Jean Romback-Bartels by Wednesday June 25, 2014. Jean said the DNR will be contacting FRNSA with the results. They will set up a meeting. Two issues to address 1) Experts say water bath 10 degree difference between report and the AIS recommendations. 2) No record of White Perch above dam. This will need to be resolved.

b. Rapide Croche Financial Analysis Harlan Kiesow said some money was put into the 2015 Budget for final design. Originally Rapide Croche was not in our plan. Discussion followed on how the project would impact the plan. Tim Rose talked about efforts to get the 2 million dollars from the Army Corps of Engineers. Possibly a Grant could be obtained for the Great Lakes Fund. Harlan Kiesow looking for directions from the Board on 1) Adding Rapide Croche into the Management Plan. 2) How to get some funds into the Plan.

10. Operations Report, J. Van Boxtel

a. Lockage Report

Jim Van Boxtel was unable to be at the meeting Robert Stark provided an update. Usage up over last year but down through Appleton. Seems that there is great interest in the locks. Trends are going the right way.

b. 2014 Work Plan Report

Robert Stark reported that the hiring of extra personnel to work on the locks. There is a lot of tuck pointing to be done on the walls which is being addressed by the extra personnel.

11. Communications, H. Kiesow

a. State Building Commission

Harlan Kiesow reported that in the future any lease easement will be brought to Madison on a quarterly basis.

b. Kaukauna Bridge

Will Dorsey and Robert Stark attended a meeting with interested parties on the bridge. They were looking for ideas on how to get the bridge restored. The

Coast Guard put out a letter saying the bridge needs to be working by the Spring of 2017. Will said Walt Raith of East Central Wisconsin Regional Planning Commission are pursuing money through the DOT by deferring projects in other communities who may cooperate to get the bridge working.

12. Other

a. FY 2015 Committee Appointments

FY 2015 Committee appointments will be at next Board Meeting

Chairman Ron Van De Hey adjourned the meeting at 5:00 p.m.