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FOX RIVER NAVIGATIONAL SYSTEM AUTHORITY

Summary of Proceedings

Fox River Navigational System Authority
3:00 P.M. Wednesday, April 28, 2010
FRNSA Office
Kaukauna, Wisconsin

Authority Members in Attendance:

Celestine Jeffreys, Brown County
Will Stark, Brown County
Ron Van De Hey, Outagamie County
Tim Rose, Outagamie County
John Vette, Winnebago County
Will Dorsey, Wisconsin Department of Transportation
James Draeger, Wisconsin State Historical Society

Authority Members Absent:

Charles Verhoeven, Wisconsin Department of Natural Resources
William Raaths, Winnebago County

Guests and Staff in Attendance:

Phil Ramlet, OMNNI Associates
Candice Mortara, FOF
Jim Van Dyke, City of Appleton
Jason Vollrath, Erickson & Associates
Harlan Kiesow, FRNSA, CEO
Dennis Arnoldussen, FRNSA Operations Manager
Robert Stark, FRNSA, Staff

Chairman Ronald Van De Hey called the meeting to order at 3:15 p.m.

1. Introductions: Chairman Van De Hey asked for introductions.

2. Approval of Minutes of the February 2010 Authority Meeting:

Chair Van De Hey called for additions or corrections to the minutes. A motion to approve the minutes as published was made by Celestine Jeffreys and seconded by Tim Rose. Motion passed unanimously.

3. Financial Status Reports, T. Rose

a. Operational Budget

b. Capital Budget

Tim Rose stated he reviewed the Operational and Capital budget reports and we are operating within the budget.

c. Unlock the Fox Fund

Tim Rose stated a meeting was held recently with the M&I investment advisors and Community Foundations. Dr. Rose stated that current investment plans remain unchanged, however, a 4th quarter investment plan adjustment may be necessary because funds invested in M&I investments could possibly do better.

Discussion followed on the role of the foundations and the fee paid to the foundations. John Vette inquired if the foundations could do solicitation, collect pledges, or be willing to serve on committees.

Harlan Kiesow stated the Corps has notified him that there is \$2,000,000.00 available to apply to the match. Mr. Kiesow will send a letter to the Corps requesting the \$1.2-\$1.3 million match dollars currently matched by funds-raised and request the balance after current fundraising efforts are completed.

d. Fund Raising effort

Chair Van De Hey stated that now is the time for board members to step up with a donation to help meet the goal of garnering all of the match funds available from the state and federal governments.

Candice Mortara stated that there is an offer of a \$5000.00 donation to the Unlock the Fox fund as incentive to operate the Appleton locks on weekends all summer.

e. Audit Status

Jason Vollrath of Erickson and Associates who completed the five-year single audit discussed the audit report and recommendations letter. Jason Vollrath stated that most government bookkeeping is done on a modified accrual basis but that the FRNSA bookkeeping is being done on a cash basis. Mr. Vollrath noted a significant deficiency was the lack of reporting the Unlock the Fox Funds held and managed by the Community Foundations.

Harlan Kiesow discussed the FRNSA response letter. Harlan Kiesow stated that the Unlock the Fox Funds held and managed by the Community Foundations would be reported in the FRNSA bookkeeping system.

Mr. Kiesow stated that future audits would occur annually or bi-annually.

4. **Resolution No. 03-10: Approval of FRNSA Audit**

Tim Rose made a motion to approve Resolution No. 03-10: Approval of FRNSA Audit. Celestine Jeffreys seconded the motion. The motion passed unanimously.

5. **Engineering Committee Report, W. Dorsey**

a. **Status and scheduling of Kaukauna Lock #5 Enhancement Grant Project**

Harlan Kiesow reported that the Lock #5 Grant is approved including funding for administration that includes local administration and state administration. SCH Engineering provides the local administration for the DOT. Mr. Kiesow stated the \$1.1 million dollar grant application was split 80/20, however we now know it is approved for \$1.3 million dollars split 60/40 and FRNSA is responsible for 40% or \$400-\$500,000.00. Also, If the actual cost exceeds the estimate, the extra cost is the responsibility of the FRNSA. The next step in the process is to hire a consultant and then to go out for bid. This will be a traditional bid project, not design-build.

After discussion, Jim Draeger made a motion to have Harlan Kiesow send a letter to the DOT to appeal the decision changing the grant from 80/20 participation to 60/40. John Vette seconded the motion. Motion passed unanimously.

b. **Appleton Locks Gate Leaks**

Harlan Kiesow stated that the problem with the Appleton Locks gates leaking is getting worse. C.R. Meyer has stated the warranty period has expired but they will come out to look at the situation. Phil Ramlet recommended working with C.R. Meyer to resolve the situation. Ron Van De Hey stated that fixing the leaks should be the builder's responsibility.

6. **Property Committee Report, C. Jeffreys**

a. **Report on Lock Tender House Project**

Celestine Jeffreys reported that the DOT re-bid the Lock Tender House Grant project and that the new bids are still \$400,000.00 over the estimate. The FRNSA 20% cost share is \$80,000.00. The project is set to begin June 1, 2010. Celestine Jeffreys made a motion to approve the project with the added cost of \$80,000.00. Jim Draeger seconded the motion. After discussion, Chair Van De Hey called for a roll-call vote. Celestine Jeffreys, Will Stark, Tim Rose, Will Dorsey, John Vette, and Jim Draeger voted yes; Ron Van De Hey voted no. The motion passed.

b. Follow-up Action on Potential Land Purchase

Celestine Jeffreys reported two parcels of land adjacent to the Kaukauna #5 lock are for sale. Candice Mortara stated the total cost including incidental costs to acquire the two parcels is \$60,000.00. The Friends of the Fox is applying for a \$15,000.00 DNR grant to offset the cost and that approval of the grant is expected in 90 days. The property Committee recommends that the FRNSA should enter an agreement with the Friends of the Fox to acquire these parcels and that the FRNSA would pay \$45,000.00 toward the purchase. The parcels will be the property of the FRNSA/State.

Celestine Jeffreys made a motion that the Friends of the Fox make an offer to purchase the parcels and that the offer is to include a clause allowing the Friends of the Fox to transfer the offer to purchase to the FRNSA pending state approval. The motion was seconded by Tim Rose. Motion passed unanimously.

c. Report on Proposed Kaukauna Utility Easement

Harlan Kiesow reported the Kaukauna Utility had originally proposed de-watering the Kaukauna lock #1 canal for replacement of a sewer line. After reviewing the plan, the utility has decided it would be more cost effective to add a metering station instead of replacing the sewer line. The proposed metering station 20'x14' concrete with metal roof building would be on FRNSA property. The utility is requesting an easement for construction of the station. Celestine Jeffreys stated the Property Committee has reviewed the proposal and recommends approval for the easement and moved for approval. The motion was seconded by Will Stark. Motion approved unanimously.

d. Report on Lawe Street Tender House Project

Harlan Kiesow reported the new roof has been installed. Painting, porch removal, and installation of shutters over the windows are scheduled for this summer. The work will be done by volunteers. FRNSA will cover the cost of materials.

e. Report on DePere Lock Tender House Grant

Jim Draeger reported the De Pere Historical Preservation Society has received a Preserve America grant of \$35,000.00 and a \$10,000.00 grant from the National Trust for Historic Preservation to do a structure report feasibility study for preservation of the De Pere lock tender house.

f. Presentation on Proposed Kayak Easements

Harlan Kiesow stated he has worked with representatives of the Friends of the Fox to determine the locations of the kayak portage easements at the Cedars, Little Chute and Combined lock, Kaukauna, (Rapide Croche?)Little Rapids, and De Pere locks.

7. Approval of Kayak Easements from Cedars through DePere Lock

Celestine Jeffreys stated the Property Committee approved the proposed easements and made a motion to approve the Friends of the Fox easements in Brown and Outagamie counties and to waive the filing fee from \$500.00 to \$50.00 for each county; The Friends of the Fox is responsible for maintenance of the portages.

Harlan Kiesow stated the Friends of the Fox is applying for a DNR grant for the cost of construction of the portages and a requirement for the grant is that easements have been granted.

The motion was seconded by Tim Rose. The motion passed unanimously.

8. AIS Committee Report, H. Kiesow

Harlan Kiesow reported for Bill Bush the Rapide Croche survey being conducted by Saint Norbert College is going out this week. First, a letter will be mailed introducing the survey and then a second mailing will be the survey itself. The survey results are expected by June, 2010.

9. Operations Report, D. Arnoldussen

Dennis Arnoldussen stated that 2010 lock operations, rosters, and schedules are set for lock operations to begin May 7 thru October 4, 2010.

Mr. Arnoldussen discussed the 12 hour call-in request for lockage and the rates that include a 2 hour minimum fee.

Harlan Kiesow stated questions and concerns are being noted and the 12 hour call-in policy will be clarified.

10. Report and Approval of 2010 Employee Wage Adjustments, H. Kiesow

Chair Van De Hey recommended that items 10 and 11 be discussed by the Executive Committee.

11. Report and Approval of Required Modifications to Employee Fringe Benefits, H. Kiesow, B. Stark

Celestine Jeffreys made a motion to refer items 10 and 11 to the Executive Committee for review and action. Jim Draeger seconded the motion. Motion passed unanimously.

12. Communications, *H. Kiesow*

Harlan Kiesow reported an organizational meeting with FRNSA, Friends of the Fox, Fox-Wisconsin Heritage Parkway facilitated by UW-Oshkosh advisors was held at East Central Wisconsin Regional Planning Commission to establish coordination and responsibilities to promote all projects and especially fund-raising. The committee discussed the needs of each organization and how the rolls of each organization could interact so that there is not a conflict or duplication of effort.

13. Other

The Friends of the Fox Annual Meeting was at Pullman's in Appleton and some fund-raising was done at the meeting.

A document regarding permitting on sanitation systems at lock sites has been received from Brown County.

There being no other business, Celestine Jeffreys moved to adjourn seconded by Tim Rose. Chair Van De Hey adjourned the meeting at 5:06 p.m.