

FOX RIVER NAVIGATIONAL SYSTEM

MANAGEMENT PLAN

June 23, 2015

Executive Summary

This management plan is prepared by the Fox River Navigational System Authority (Authority) to satisfy the requirements of Wisconsin State Statute Chapter 237.07 **Management plan, financial statements**. The mission of the Authority is to serve the citizens of the Fox River area and the state by rehabilitating, maintaining, developing and operating the navigational system. This plan updates previous plans, the initial prepared in 2005.

The Authority's initial strategy in 2005 was to "restore the Fox Locks Navigation System in a phased manner consistent with long-term financial sustainability." In 2015 the basic locks restoration will be completed. The updated 2015 strategy includes the operation of the restored locks, construction of the boat transfer/AIS cleansing station at the Rapide Croche lock site, construction of a Fox River locks visitor center and enhancements to the lock tender houses and recreational resources of the locks system. The strategy also includes an abandonment alternative that is required by SS Chapter 237 to shut down the navigation system if necessary and dispose of the property.

The Authority has updated its financial plan schedule that includes major projects consisting of lock restoration completion in 2015, the locks visitor center in 2016 -17 and Rapide Croche boat transfer station/AIS cleansing station in 2017-18. The schedule lists estimated annual costs and revenues beginning in 2004 through 2034. The Authority has adopted a goal of navigational system sustainability and operation beyond 2034.

The Authority has also prepared a locks closure plan that will "determine that the plan for abandonment will preserve the public rights in the Fox River, will ensure safety, and will protect life, health, and property."

FOX RIVER NAVIGATIONAL SYSTEM

MANAGEMENT PLAN (6/23/2015)

Introduction

This management plan is prepared by the Fox River Navigational System Authority (Authority) to satisfy the requirements of Wisconsin State Statute Chapter 237.07 **Management plan, financial statements**. The Authority shall submit the management plan to the Wisconsin Department of Administration (DOA) together with supporting fiscal information upon request. The Authority submitted the first management plan to the DOA within the 180 day timeline from the signing of the DOA/Authority lease agreement in 2004. The Authority has submitted three subsequent management plan amendments to the DOA and Wisconsin Legislative Fiscal Bureau.

Agency Description

The Authority was created in 2001 to oversee the navigational system on the Fox River (Appendix A) following the transfer of the system from the federal government to the state, which occurred on September 17, 2004. As outlined in Wisconsin Statutes Chapter 237 (Appendix B) the authority's primary responsibility is *to repair, rehabilitate, replace, operate and maintain the navigational system*. To meet this responsibility the Authority must develop and implement a plan to manage monies received, from the federal government, State of Wisconsin and local fund raising, to ensure that sufficient funds are available for repair and rehabilitation of the system. The authority has also partnered with local organizations to provide funding required to match the federal and state monies received.

The authority is governed by a nine-member board of directors, six of whom are appointed by the Governor. The other board members consist of the secretaries or their representatives of the Departments of Natural Resources and Transportation, and the Director of the State Historical Society.

Mission

The mission of the authority is to serve the citizens of the Fox River area and the state by rehabilitating, maintaining, developing and operating the navigational system to:

- Restore, maintain and improve the scenic, physical, historic and environmental character of the Fox River Navigational System.
- Manage the system for sustainability.
- Promote tourism, recreational and commercial use of the navigational system stressing heritage planning and management.

Program, Goals, Objectives and Activities

The Authority has adopted goals and objectives to its short and long-term program activities including the following:

2013 AND 2014 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2013	Actual 2013	Goal 2014	Actual 2014
1.	Develop and implement comprehensive management plan.	Management plan implementation and annual update, prepare expanded plan	Implemented and updated Management Plan	Management plan implementation and annual update, prepare expanded plan	Implemented plan and began preparation of expanded plan
1.	Lock system restoration.	Begin rehabilitation of three additional closed locks in Kaukauna	Let D/B contract for three Kaukauna locks	Let contract for Kaukauna lock 5. Begin rehabilitation of four Kaukauna locks	Three Kaukauna locks 75% completion, one Kaukauna lock 25% completion
1.	Number of days three current locks are operated each season.	150 days	149 days	150 days	150 days
1.	Number of seasonal lockage permits.	100	68	100	45
1.	Monitor invasive species.	Monthly at four sites annually	Monthly at four sites completed	Monthly at four sites annually	Monthly at four sites completed
1.	Operate restored locks.	Operate eight locks	Eight locks operated	Operate eight locks	Eight Locks operated

Note: Based on calendar year.

2015, 2016 AND 2017 GOALS

Prog. No.	Performance Measure	Goal 2015	Goal 2016	Goal 2017
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1.	Develop and implement comprehensive management plan.	Management plan preparation, plan implementation	Expanded Management plan preparation, plan implementation	Management plan implementation
1.	Lock system restoration.	Final Kaukauna Locks restoration	Locks maintenance	Locks maintenance
1.	Number of days three primary locks are operated each season.	150 days	150 days	150 days
1.	Number of days internal locks are operated each season	40 days	40 days	40 days
1.	Number of seasonal lockage permits'	100	100	100
1	Monitor invasive species	Monthly at four sites annually	Monthly at five sites annually	Monthly at five sites annually
1.	Lock tender house re-use	Two houses	Three Houses	Four houses
1.	Locks visitor center	Design	Construction	Operation
1.	Rapide Croche Transfer Station	EIR approval	Final design	Construction

Note: Based on calendar year.

Strategy Statement

The Authority prepared an initial strategy for future management of the Fox River Navigation System. The basic approach was to “restore the Fox Locks Navigation System in a phased manner consistent with long-term financial sustainability.” This approach was dependent upon adequate funding and concentrated on the restoration, long term maintenance and operation of the three major deteriorated lock segments in Appleton, Little Chute and Kaukauna. This approach also included the continued maintenance and operation of the three continuously operating locks at De Pere, Little Kaukauna and Menasha and the maintenance of the sea lamprey barrier at Rapide Croche lock site.

The updated strategy includes the operation of the restored locks, construction of the boat transfer/AIS cleansing station at the Rapide Croche lock site, construction of a Fox River locks visitor center and enhancements to the lock tender houses and recreational resources of the locks system.

Key to the Authority’s strategy is system sustainability; that being having adequate finances to operate and rebuild the system over a 30 year planning period. This 30 year planning period (through September 2054) is consistent with the lease agreement (Appendix C) for the navigational system that the Authority has signed with the State of Wisconsin. During this period all lands and facilities in the system will also be managed consistent with the Fox River State Heritage Parkway concept including tourism enhancement.

While the Authority’s lease expires in 2034 the management strategy includes system sustainability for another 20 years. The financial plan justifies continued capital maintenance of the system through the year 2054. The State would have to renew the Authority’s lease to manage the system or select an alternative responsibility.

The strategy also includes an abandonment alternative that is required by SS Chapter 237 to shut down the navigation system in 2034 if necessary and dispose of the property.

Funding/Financial Requirements

The Authority's management strategy is predicated upon financial sustainability of funding for the 30 year lease period. To accomplish this, the Authority has established an investment approach that provides a base funding mechanism to support the short term capital development (restoration) of the system and long term operating and maintenance funds. This approach relies on the initial base funding in the Corps/State transfer agreement but contains flexibility to adjust for expenditures additional funding sources.

Capital Development (Restoration and Major Project) Funding

The basic initial financing for the Authority is provided in the funding formula outlined in the Corps/State transfer agreement. The Corps provided an initial 11.8 million dollars that has been deposited with the Authority in November 2004. At its December 1, 2004 meeting the Authority allocated the 11.8 million dollars to a special long-term (escrow) investment fund. The Corps has also agreed to provide an additional 5.6 million dollars within a 10 year period provided the State and local area provide a 5.6 million dollar match. The State obligated 2.8 million dollars (\$400,000/yr) over a seven year period and the local area, through three community foundations, has also obligated 2.8 million dollars through donations. At its January 5, 2005 meeting the Authority requested the first (2005) additional funding installment of \$800,000 from the Corps, \$400,000 from the State, and \$400,000 from the community foundations. The final base federal and state payments were received in 2012. The Corps, based on the 2001 MOA, will also pay an inflationary clause of 2.112 million dollars in 2015 on interest accrued during the MOA payment period.

The Authority has entered into agreement with the Green Bay, Fox Cities and Oshkosh Community Foundations to serve as its financial investor as well as the nexus for fund raising. A memorandum of agreement (Appendix D) between the Authority and the three foundations was approved. An investment plan has been prepared by the foundations and financial transaction mechanisms between the foundations and the Authority have also been prepared. The 2.8 million dollar local cost share has been raised and invested as of June 30, 2011.

A proactive fund raising effort with local groups and individuals is still underway. The intent of this effort is to commit additional dollars beyond the initial 2.8 million to address additional capital projects.

Additional sources of restoration funding are possible through government and private grant programs. Several grant sources have been identified including the USDOT transportation enhancement program and the Fox Cities Convention and Visitors Bureau Capital Development Fund. In 2006 the Fox Cities Convention and Visitors Bureau provided a \$250,000 grant to be paid over a three year period for the initial fund raising effort. In 2008 a USDOT transportation enhancement grant was awarded for the Kaukauna Lock #5. In 2010 a transportation stimulus grant was received for the exterior preservation of eight historic lock tender houses. In 2014 a \$100,000 Fox Cities Convention and Visitors Bureau grant pledge was received for a proposed visitor center.

Operations Funding

The Authority has established a funding process for administration, operation and annual maintenance. Sources of this income include:

Lockage user fees – Fee schedules are established by the Authority and historically average \$20,000 income annually. For 2015, daily permits are \$6.00 for boats under 26 feet and \$12.00 for boats over 26 feet. Annual permits are

	\$120.00 allowing unlimited lockage. Additional charges of fifty cents per person are assessed to tour boats for each lockage.
Rental income -	The Authority re-evaluating the rental potential of space in the Kaukauna office that was previously occupied by the Corps of Engineers.
Out Grant/property Income -	The Authority has over 95 acres of real property and approximately 70 previous inherited Corps of Engineers out grants consisting of leases and easements. New out grant requests are being addressed and previous out grants are being reviewed for renewal and may also present a minor amount of income. There are also some land parcels that are outlying or may be declared excess and therefore may be sold for an indeterminate income.
State funding Assistance -	The Authority has received State funding assistance for start-up and on-going operations. The State has historically provided \$125,400 in annual operating assistance to the Authority. The Authority is requesting continuation of this allocation to offset operational costs.
Capital fund Income -	The capital fund investment is generating interest and equity income. A portion of this income is scheduled to offset other sources of operating income when required. Whereas the capital fund income is a primary source of restoration funding, the draw on the operating use will be minimized where possible.

Financial Plan Schedule

The Authority initially prepared two series of financial plan (cost/income) schedules, one for the basic scheduled restoration over seven years and one for accelerated restoration over five years. These schedules outlined different phasing and cost assumptions for locks restoration. Under any schedule, sufficient funds need to be retained in escrow to financially sustain the operation and maintenance of the system. In 2010 the accelerated strategy was dropped due to the lack of accelerated fund raising, a delayed Corps funding schedule and the 2008 economic downturn. In 2010 the basic schedule was the modified to program the completion of the lock restoration in 2015.

The updated financial plan schedule includes lock restoration completion in 2015, the locks visitor center in 2016-17 and Rapide Croche boat transfer station/AIS cleansing station in 2017-18. The schedule lists estimated annual costs and revenues beginning in 2004 through 2034. The 2004 to 2014 dollar amounts are actual. The 2014 through 2034 amounts are projections with the base year being 2014. Assumptions in the projections include an inflation factor for capital inflation of two per cent, operation inflation of three per cent and income of 6.95 per cent.

The schedule includes the 2015 calendar year end investment fund total and projects this total to 2034 based upon expected costs and revenue. The estimates include the capital maintenance required for system sustainability beyond 2034. The financial plan schedule is listed in Appendix E. An additional schedule is listed in Appendix E1 that provides costs and revenue through 2054 for sustained operation.

The Authority has also specified that sufficient funds will be reserved to abandon the system should the action be required. As an example, if a decision were made in 2015 to abandon the 17 locks 4.5 million dollars would be required according to an engineering study. If during the period to 2034 a decision for abandonment were made, the escrow account would require sufficient funds for closure. The amount of

funds depends upon how much of the system is closed and the timing of closure. The Authority has developed a financial plan (cost-income) schedule for closure and abandonment if required in 2034 (Appendix F). The closure plan calls for a fixed crest gravity dam option which maintains the basic integrity of the lock masonry. The estimated cost of closure for 2034 is 6.5 million dollars. In addition, operation and maintenance dollars will be required after abandonment. The estimated closure fund for O&M for 2034 is \$ 3.8 million dollars for a total fund requirement of 10.3 million dollars. The closure analysis is included in Appendix F.

Restoration Process

The restoration process involves phasing construction for major lock segments over a period of time. During 2005, preliminary work for restoration of the Appleton segment began and the Little Chute and Kaukauna segments were stabilized to prevent major deterioration prior to eventual restoration. The initiation of each succeeding phase is dependent upon adequate financial resources. In 2006 the major restoration phases began with proposed completion of all phases in 2010. Due to the economy of 2008 and other financial implications the construction schedule was set back. The completion stage is now scheduled for 2015.

The restoration process involves reconstruction of navigation dependent features of the system. Detailed engineering reports for both restoration and closure have been completed. In 1995 and 1996 Mead & Hunt completed reports outlining alternatives. In 2004 Mead & Hunt updated the restoration report, re-evaluating the system status, alternatives and costs. For each lock segment, the report describes immediate stabilization needs, initial restoration work, supplemental lock wall rebuilding, and canal and dike rebuilding. The report recommends major lock wall rebuilding for Appleton Lock #1, and Kaukauna Locks #1, #3 and #4. In early 2005 a benchmark monitoring system was installed to determine the structural stability of all of the lock chambers. Based upon the annual monitoring of the lock benchmarks, these lock walls may not require complete re-construction, thus saving substantial cost.

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| Stabilization Work - | The lock system was evaluated to determine immediate stabilization needs. Various portions of infrastructure were beginning to collapse and pose either a safety hazard or, if not addressed, will lead to greater restoration costs. Examples are lock gates that may collapse, pop-outs in stone walls, and sink holes in dikes. The primary work is directed to the Kaukauna and Little Chute segments. The itemized list was used to prepare a short-term contract proposal on a time and materials basis. The contract maximum was targeted for \$100,000. A contractor was selected and initial work completed in 2005 and 2006. Additional minor stabilization and maintenance projects were completed annually. |
| Appleton Phase 1 – | The Appleton locks 1-4 were restored in 2006. The Authority utilized a “design/build” contract for this reconstruction. A Request For Qualifications (RFQ) was prepared in June, 2005. A Request For Proposals was prepared during June and July, 2005. Contractor selection was completed in November 2005 with starting in December 2005. |
| Cedars Lock - | The Cedars Lock was restored in 2007. The Authority utilized a “design/build” contract for this reconstruction. A Request For Proposals was prepared during November, 2006. Contractor selection was completed in February 2007 with construction starting in June 2007. |
| Little Chute Levee - | The Little Chute Levee was re-built in 2007. Design work was completed in February 2007 and bids let in May 2007. Construction began in August 2007 and was completed in May 2008. |

- Little Chute Phase 2 - The Little Chute Locks were re-stored in 2008. A Request For Proposals was prepared during December, 2007. Contractor selection was completed in February 2008 with construction starting in June 2008.
- Lock Tender Houses - Restoration of the exterior of eight lock tender houses was completed in 2010. A Federal stimulus grant was received through the WDOT in July 2009.
- Kaukauna Phase 3 - The Kaukauna locks are scheduled for completion of restoration in 2015. A Request for Proposals for locks 1, 2 and 3 was prepared during July, 2012. Contractor selection was completed in August 2012 with construction starting in September 2013.

The Kaukauna Lock 5 restoration is scheduled for 2015. A WDOT enhancement grant for restoration was received in 2010.

The Authority has used the Mead & Hunt engineering information to prepare the restoration strategy and schedule. To validate the Mead & Hunt study, a major local contractor with historic lock reconstruction experience evaluated Appleton Locks 1&2 in 2005. The analysis took into account cost validation, constructability and risks. The contractor indicated that cost estimates appeared to be within 10 percent of the initial estimates. As new detailed plans, costs and contracts are prepared, alternative restoration proposals may reflect additional cost savings.

The financial plan schedules for the preferred restoration process and the back-up abandonment alternative are included in Appendix E and F.

Operation, Maintenance and Administration

The continued day-to-day management of the system contains three primary elements; operation of the locks, annual maintenance of the facilities and grounds, and general administration. The cost basis for lock tender operation of the locks was initially estimated from the historical records of the Fox River Management Commission. The number of locks, staffing, hours of operation and wages change as additional locks are restored and come into operation. The cost basis has been standardized after nearly 10 years of operation. The 2014 operation, annual maintenance and administrative budgeted cost was approximately \$430,000. The current FY 2015 Annual Budget is included in Appendix G.

The annual maintenance of the facilities and grounds was previously provided by the Corps with the exception of minor grounds keeping at the operating locks. While the Corps staff provided some minor maintenance of the facilities, more major items such as lawn mowing and construction (i.e. dike repairs) was contracted out. Adequate historical records from the Corps for calculating annual costs were not available or are not suitable because some of these costs were dam maintenance and others had significant overhead costs.

The 1995 Mead & Hunt Report described annual maintenance items and costs associated with the restoration of the system. Annual maintenance items include; grass mowing and landscape care, dike repair, canal and retaining wall repair, minor building maintenance, access road and parking area maintenance, minor lock structure maintenance, and safety and lighting maintenance. Based upon these activities costs have been calculated for labor and materials. Labor may be provided by both Authority staff and independent contractors. The on-going maintenance cost over years have been significantly less than original Mead & Hunt estimates.

General administration includes the management functions of the Authority. Administrative salaries and agency overhead are included costs. Overhead costs were estimated from Corps specific expense records for the office. Current insurance costs, and projected office and administrative operating costs

were estimated by the Authority CEO. The schedule for the long-term management cost is included in Appendix E.

Potential Locks Abandonment or Closure

State Statutes Chapter 237.14 requires a management strategy for closure of the system. If abandonment of the system is proposed, a closure plan will be submitted to both the Department of Administration and the Department of Natural Resources to “determine that the plan for abandonment will preserve the public rights in the Fox River, will ensure safety, and will protect life, health, and property.” The basis for selecting and costing specific closure options is included in the Mead & Hunt Report *Lower Fox River Locks Abandonment Study, Final Report, August 1994*. The report describes three primary closure options including; Alternative A – Return to Natural Condition, Alternative B – Earth Filled Lock Chambers, and Alternative C – Fixed Crest Gravity Dam. The Corps of Engineers, in determining the closure method for a potential federal closure, selected the Earth Filled Lock Chamber alternative.

The Authority has selected a closure alternative. If closure is needed, the closure option is Alternative C, Fixed Crest Gravity Dam. This option has less initial cost but higher long-term maintenance cost. This alternative assumes the Authority makes the decision to partially or totally close the navigation system, properly abandoning the infrastructure and disposing the property to public and/or private interests. The Authority has updated the original closure cost estimates. Since system restoration improvements have been made that modified the original abandonment needs. A new engineering analysis has been prepared with updated cost estimates. The estimated closure cost schedules are included in Appendix F.

While the abandonment of the system is the worst-case option, partial closure is the preferred practical alternative recommended by the Authority. The DePere, Little Kaukauna and Menasha locks are structurally sound and have low maintenance costs. They also have the most use in the system. The permanent closure costs of nine hundred and ten thousand three hundred and sixty dollars (\$910,360) associated with these locks would not be cost effective when compared to their long-term maintenance costs. If these locks are not closed, they would reduce the system closure cost.

Management Timeline

The short-term strategy timeline at agency start-up included:

- Formal organization of the Authority – October, 2004 (completed)
 - Bylaws
 - Budget
 - Insurance
 - Corps rental agreement
 - Foundation MOA
- System management plan – May, 2005 (completed)
 - On-site infrastructure survey, October, 2004
 - Financing plan, March, 2005
 - Management recommendations, May, 2005
- Office establishment – April/June, 2005
 - Telecommunications, March, 2005 (completed)
 - Staffing, April, 2005 (completed)

The long-term strategy timeline included:

- Continue three lock operation – 2005 to present

- Lock preventative capital maintenance (stabilization) – 2005 (on-going)
 - Contract preparation, bid – June, 2005
 - Infrastructure stabilization (Cedars, Lt. Chute, Kaukauna locks) – (Includes checking and repairing the stop logs, gates, hardware, lock walls, and longevity maintenance as needed, etc.) June - October, 2005
- Begin Appleton Restoration Phase – 2005 (completed)
 - Contract preparation, bid – October, 2005
 - Lock restoration, November - December, 2006
 - Begin seven lock operation – 2008 Regular operation for DePere, Lt. Kaukauna, Menasha
 - Limited (3 or 5 day) operation for Appleton segment (delayed to 2009)
- Little Chute Restoration Phase – 2007 & 2008 (completed)
 - Contract preparation, bid – spring 2007 & spring 2008
 - Cedars Lock and levee restoration, November 2007 – remaining locks, December, 2008
- Begin 8 lock operation – 2008
 - Regular operation for DePere, Lt. Kaukauna, Menasha
 - Limited (3 or 5 day) operation for Appleton, Cedars segment (delayed to 2009)
- Begin Kaukauna Restoration Phase – 2012 (on-going)
 - Contract D/B #4 preparation, bid – October 2010
 - Contract D/B #1,#2,#3 preparation, bid – July 2012
 - Contract (traditional) #5 preparation – July 2010
 - Lock restoration completion, September 2011 to August 2015
- Begin 16 lock operation – 2017
 - Regular operation for DePere, Lt. Kaukauna, Menasha
 - Limited operation (3 or 5 day) operation for Appleton, Lt Chute and Kaukauna segments
- Rapide Croche Lift Construction (dependant upon funding) – 2017
 - Final design start – October 2015
 - Contract preparation, bid – November 2016
 - Lift installation – April 2017 – May 2018
- Begin 16 lock and lift operation – 2018
 - Regular operation for DePere, Lt. Kaukauna, Menasha
 - Limited operation (3 or 5 day) for Appleton, Little Chute, Kaukauna segment
 - Limited (3 or 5 day) operation for boat lift

Rapide Croche Lock Aquatic Species Barrier

As required by the Corps/State Memorandum of Agreement, Wisconsin Statute Chapter 237.10, and the State Lease Agreement, the Authority will maintain the sea lamprey barrier at the Rapide Croche Lock. The barrier shall be maintained “according to the specifications of the Department of Natural Resources in order to prevent sea lampreys and other aquatic nuisance species from moving upstream.” The Corps of Engineers/State of Wisconsin/Authority Partnership Agreement specifies cooperative procedures for barrier responsibility. Under this agreement the Corps of Engineers maintained the sea lamprey barrier at Rapide Croche until the transfer of the locks system was made for Authority control.

The Authority maintained the original stop log barrier until a concrete barrier was installed in 2013. This permanent barrier can be incorporated into the proposed boat transfer/cleansing station. The Authority is dedicated to exotic species control and management and will incorporate management practices on the navigation system wherever feasible. According to SS237.10(2) "If the Authority decides to construct a means to transport watercraft around the Rapide Croche lock, the Authority shall develop a plan for the construction that includes steps to be taken to control sea lampreys and other aquatic nuisance species. The Authority shall submit the plan to the Department of Natural Resources and may not implement the plan unless it has been approved by the Department."

The Authority has approved the preparation of an aquatic species management plan. Preliminary objectives of the plan are included in Appendix H. The Authority has also printed an aquatic species prevention informational brochure for distribution to boaters and the public.

The Authority has prepared a feasibility plan for the installation of a boat lift/ cleansing station at Rapide Croche. This planning process was initiated in 2005 under the oversight of a special committee. The planning process included:

Created AIS Committee in June 2005

Annual monitoring for AIS by Lawrence University above and below Rapide Croche is being managed by Professor Bart DeStasio – 2006 to present

Developed AIS Management Plan for Rapide Croche

Developed FAQ (Frequently Asked Questions) brochure

Presented initial AIS Management Plan to DNR

Received initial DNR Response to AIS Management Plan

Modified AIS Management Plan

STS Consultants developed Rapide Croche Boat Transfer Station Study Report

Developed model of Rapide Croche Transfer and Cleansing Station

Conducted informal public forums

Conducted five community formal public forums with DNR presence

STS/AECOM developed Preliminary Engineering Study Report for Rapide Croche Boat Transfer Station

Developed and reviewed Jack Nelson's alternative transfer station in the channel

UW Madison Proposal design for Transfer Station

Thermal limits study of AIS by Bart DeStasio

Publication of thermal limit study results in a peer reviewed journal (J. Beyer, P. Moy and B. DeStasio. 2010. Acute upper thermal limits of three aquatic invasive invertebrates: hot water treatment to prevent upstream transport of invasive species. *Environmental Management*, 47:67-76).

Saint Norbert College Boater Survey

FRNSA Boater Survey

Preparation of an environmental assessment report by FRNSA

Preparation of Historic Preservation report by FRNSA

Preparation of environmental impact assessment by WDNR

Determination of impact by WDNR Secretary – September 2015 ?

Preparation of final design – December 2015

Construction bid let – December 2016

Construction complete - 2018

The cost of construction of the transfer station is estimated at four million dollars. This cost is incorporated into the financial schedule in Appendix E.

Fox River Heritage Parkway Plan

The Authority is managing the navigational system with guidance from the *Fox River Heritage State Parkway Concept Plan* prepared by the East Central Wisconsin Regional Planning Commission in 1997 and recently updated. This plan demonstrates the potential for establishing a state heritage parkway on

historic Corps of Engineers navigational lands along the Fox River from DePere to Portage. The plan reviews river resources, outlines the history of the river and the parkway concept, and establishes goals and objectives for parkway development.

The principal areas of the parkway include the 26 historic and existing locks and three harbors of refuge at 20 sites along the Fox River. Land areas total over 350 acres. The core area of the parkway is the 17 locks on 95 acres of land along the Lower Fox River as most of the nine locks along the Upper Fox River were abandoned in 1960.

The transfer of the Fox River Navigational System from the Corps of Engineers to the State of Wisconsin, Fox River Navigational Authority, in 2004 was a predominant recommendation in the Parkway Concept Plan.

Annual Budget

The annual budget is scheduled for adoption at the annual meeting held the last Tuesday in June. The development of a preliminary budget is scheduled each January. Due to initial year start-up activities an operating fund was established on September 9, 2004 and the first annual FY budget was adopted in June 2005. The adopted FY 2014/2015 budgets are included in Appendix G.

Property Insurance

The Authority has been self-insuring property. The only structure with a property value estimate at the time of transfer was the Authority's office/shop complex. No values were available for the locks, lock tender houses or outbuildings. While property insurance is available through the Department of Administration, early discussions with State Risk Management determined that coverage and cost based upon the values of the property be evaluated after restoration of the locks and determination of the future uses of the lock tender houses and out buildings.

Liability Insurance

Liability insurance is required as part of the lease agreement with the State. The Authority has cooperated with the State Risk Assessment Office to obtain liability insurance. Based upon the characteristics and needs of the Authority the criteria for liability insurance include:

- General liability including any marine exposures related to the operation of the locks, one million dollars in coverage.
- Public officials liability for the board members of the Authority, one million dollars in coverage.
- Hired and non-owned auto coverage, one million dollars in excess of personal liability coverage.
- Umbrella coverage with five million dollars in limits.

Liability insurance was obtained through the AON Mutual Insurance Company. The AON provided the required levels of coverage however they also required a deductible of fifty thousand dollars.

Employees

The Authority may employ staff and contract services to carry out the functions of the agency. The Authority is required to hire a chief executive officer (CEO) The CEO shall provide the duties specified in SS237.02(6) and serves at the pleasure of the board of directors. The Authority may hire employees, define their duties and fix their rate of compensation. The Authority may also enter into contractual agreements for the operation and maintenance of the system where employee services are not practical or feasible. All employees are currently part-time or seasonal. Where qualifying, employees are entitled to Wisconsin Employee Trust Fund benefits. The Table of Organization (Appendix I) lists the number and positions of employees.

DOA Audit Process

The State Lease Agreement requires the submittal of an annual audit to the Department of Administration and the Department of Natural Resources. The financial statement shall include the sources and amounts of funding received from the Department of Natural Resources under SS237.08(2) and from contributions raised from the foundations under SS237.08(3).

The Authority has contracted a firm to maintain the financial accounting system. The Authority has also selected a financial auditor to perform the annual audit required in SS237.07. The Authority has selected the State Fiscal Year of July 1st through June 30th. The annual audit will be prepared in August, approved by the Authority in September and submitted to the Wisconsin Department of Administration.

Inter-agency Coordination

The Fox River Navigational System Authority is coordinating its activities with state, federal and local agencies. A Cooperative Agreement (Appendix J) has been approved between the Fox River Navigational System Authority, U.S. Army Corps of Engineers, and Wisconsin Department of Administration. These agencies have been cooperating on a number of activities and annual formal cooperative meetings are scheduled.

The Authority will also be initiating cooperative agreements with the Department of Administration Division of State Facilities for issues such as new outgrant approval; The Department of Natural Resources for contamination clean-up including asbestos and lead paint; the Department of Transportation for bridge operation; and the State Historical Society for historic preservation of National Register sites.

The Authority is also working with various local municipalities and organizations. Examples include bridge issues in the City of Appleton and Village of Little Chute; adjacent site development planning with the City of Menasha; pedestrian trail planning with the Fox Cities Greenways organization; and lock tender house reuse with the Friends of the Fox organization.

Administrative Matters

The Wisconsin Statutes Chapter 237 describes the basic requirements, authority and functions of the Authority. Additional requirements and guidelines are also listed in a variety of statutes under state agency and municipal citations. The base Statutes and additional citations are listed in Appendix B.

The Authority has adopted various responses to its statutory obligations including bylaws and an affirmative action statement, Appendix J and K. The Authority has also applied and is recorded as a state agency under the State of Wisconsin Retirement System.