

**MONROE PORT COMMISSION
REGULAR MEETING MINUTES
Tuesday, January 21, 2014 - NOON
2929 E. Front Street - Monroe MI 48161**

1. Call to Order: 12:07 P.M.
2. Members Present:
Thomas A. Krzyston, Chairman
Dale Brose, Vice Chairman
Ken Calender, Secretary
Lisa Leachman, Commissioner
Tom Myers, Commissioner

Others Present:
Paul C. LaMarre III, Port Director
John J. Emig Jr., Port Engineer/J&A
Thomas P. Russow, Port Attorney
Dan Swallow, City of Monroe Director of Economic & Community Development
3. Additions/Deletions to the Meeting Agenda: None
4. On a motion made by Myers and seconded by Leachman, the Meeting Agenda was approved. Ayes 5 Nays 0. Motion passed.
5. Public Comment: None.
6. Motioned by Secretary Calender and seconded by Vice Chairman Brose, the Consent Agenda was approved: Ayes 5 Nays 0. Motion passed.
6.1 Approve and place on file Port of Monroe Expenditures - Order 0404 December 19, 2013 through January 21, 2014.
6.2 Approve and place on file Regular Meeting Minutes of Wednesday, December 18, 2013.
7. Unfinished Business:
7.1 Suspense Calendar was reviewed and updated.
8. New Business:
8.1 On a motion made by Secretary Calender and seconded by Myers the \$1,995 one-time fee for advertisement insertion in the Annual Greenwood Guide to Great Lakes Shipping 2014 Edition was approved. Ayes 5 Nays 0. Motion passed

8.2 Motioned by Myers and seconded by Vice Chairman Brose to approve the Letter of Intent for Chairman's signature to the Fish and Wildlife to convey Port land that is east of the Norfolk Southern tracks and north of Elm Avenue. Letter to be drafted by Dan Swallow - City of Monroe. Ayes 5 Nays 0. Motion passed.
9. Staff Reports:
 - Paul C. LaMarre III:
The Port Director referred to Tom Russow to update the Commission on the negotiations with Jack's Lawn Service.

Tom Russow: Met with Jack Sturn of Jack's Lawn Service earlier this morning. Mr. Sturn has been advertising his business for sale in the *Michigan Truck Trader*.

Tom Russow cont.:

Mr. Sturn has had at least 50 calls for his free compost, but his concern is the hauling and transportation cost to get rid of it.

Mr. Sturn also provided rates of local farmers and what they are paying for leasing acreage. The rates were from \$75 to \$200 an acre. Mr. Sturn states the old Port lease is \$340.32 an acre that he is occupying to run his compost business, and he has invested a lot of money in port property.

The Port Director informed the Commission, Mr. Sturn is comparing vacant farm land to prime land. In addition, the Port has been very generous in the offering of \$400 to \$600 per acre, after a six month period, which would equal to \$20,000 a year for the use of port property. To date, the Port has not seen any money for the acreage use that Jack's Lawn Service has been occupying for his municipality cities business. Jack Sturn's initial investment in port property was paid-off years ago.

After much discussion, Tom to draft an agreement, with conditions, to be forwarded to Jack Sturn for his review and signature.

Paul LaMarre:

Would like to regain the waterfront access as soon possible and have been in discussions with Monroe Recycling/Omni Source regarding a lease amendment and the Letter of Credit for the rail loop.

Three of the port tenants, Barnhart, Michigan Paving and DRM, have given their verbal agreement to pay a third each for the turning basin dredging project. The tenant's investment would essentially be an "up-front payment" of future rent and tonnage fees.

In the next few weeks, DTE, various synthetic gypsum consumers, and vessel owners will meet at the Port to discuss the storage and shipment of the product at/through the Port.

Ventower rail spur is in progress. Yet, Ventower has yet to pay the Port the \$55,000 local match share and are also in arrears of their lease quarterly lease payment.

Working on agreement to capitalize on the tonnage that crosses the rail of Ventower plate steel, similar to the agreement we have with Barnhart. Barnhart pays \$500 for week of use, 55 cents for short ton, and \$1.00 p/ton for project cargo (sections) out.

John Emig:

The bid for the rail installation for Ventower came in high. Since, we have met with Michigan Gas to discuss their gas line under the rail. The rail siding was redesigned to cross the gas main at the existing casing location. The crossing location has been approved by the Gas Company and CN.

J&A presented the new layout to CN and have their tentative approval.

We are coming to the end of the FRA grant that expires March 2014. Ventower's MDOT grant can pick up the construction cost, but does not cover engineering. Will ask the FRA for one more extension, but need to know the status of the project before requesting.

John Emig cont.:

The permit for the River Raisin Turning Basin dredging project was mailed out last week to the Corps of Engineers.

Informed Gerdau a couple of weeks ago of the rail spur project and that construction will begin soon and would be crossing a corner of Gerdau rail easement for the installation of the Ventower rail spur. Received a call from their attorney asking questions about access. Chairman Krzyston stated that the Port owns the land and does not need permission to access.

10. Other Business that may come before the Port Commission:
Dan Swallow updated the Commission of the Letter of Intent, for the Chairman's signature, to convey two parcels east of the rail to the Fish and Wildlife.

Vice Chairman Brose asked the status of the demolition of the pump house. Dan indicated all funding is in place. Next step is formal approval from the EPA. Megan Napier of AKT Peerless, is working with the EPA and has not received a formal written response to start. Hopefully by the end of February 2014.

11. Port Commissioners Comment:
Chairman Krzyston asked how to recoup cost that has occurred through no fault of the Port's. There has been too many incidents that the Port has had to pay because someone does not do their due diligence. Tom Russow stated some companies start with an escrow before the start of a project. But the longer the project goes on for a period of time, more money is spent. In the case of Hanwha installing a fence on Port property, John Emig stated the port could have called City Hall and gotten them involved.

12. Public Comment: None

13. Adjournment: 2:07 p.m.

These minutes are not consider official until approved by the Monroe Port Commission at their next regular scheduled meeting, Wednesday, February 19, 2014.


Kenyon Calender
Secretary

February 19, 2014
Date