

CITY OF WASHBURN
119 Washington Avenue
P.O. Box 638
Washburn, WI 54891



715-373-6160
715-373-6161
FAX 715-373-6148

To: President: Carl Broberg
VP: John Baregi
Don Swedberg

Bradley Lemire
Vacant Schram
City Administrator

Mary McGrath
Rodger Reiswig
Marina Manager

NOTICE OF HARBOR COMMISSION MEETING

DATE: Wednesday, May 16, 2018
TIME: 5:30 P.M.
LOCATION: Washburn City Hall – 119 Washington Avenue

Agenda

- A. Call to Order – Roll Call
- B. Approval of Minutes of the April 18, 2018 Meeting
- C. Public Comments
- D. Oaths of Office and Election of Officers
- E. Treasurer's Report
 - 1. Payment of Invoices
- F. Slip Transfers – None
- G. Marina Manager's Report
 - 1. April Financial Reports
 - 2. Review of 2017-18 Fiscal Year, Allocation of Profit Sharing
 - 3. Report on Ice Damage
- H. Discussion and Action on Renewal of Agreement with Nelson Construction Company of LaPointe, Inc. for Commercial "Coal" Dock Space
- I. Discussion and Action on Agreement with Pearl Beach Construction Company for Commercial "Coal" Dock Space
- J. Discussion and Action on Request to Purchase Gravel
- K. Discussion and Action on Sleeving of Pier 4 Water Line
- L. Discussion and Action on Utilization of Gangway Section for Trail Bridge
- M. Update on Boat Ramp Project Electrical Fix
- N. Update on Coal Dock Sheetpile Project
- O. Adjourn

Cc: Posted Ashland Daily Press File

APRIL 18, 2018 HARBOR COMMISSION MEETING

5:30 P.M. WASHBURN CITY HALL – 119 NORTH WASHINGTON AVENUE

Commission Members Present: President Carl Broberg, Bradley Lemire, Mary McGrath, Stephen Schram, and Don Swedberg.

Commission Member Absent: John Baregi and Rodger Reiswig.

Municipal Personnel Present: Scott Kluver, City Administrator/Clerk, Kay Bratley, Deputy Clerk/Treasurer and Michelle Shrider, Marina Manager.

Call to Order – President Carl Broberg called the meeting to order at 5:30 p.m.

Approval of Minutes of the March 21, 2018 Meeting – Schram moved to approve and place on file the March 21, 2018 Meeting Minutes and Swedberg seconded. Broberg and Lemire abstained. Motion carried 3-0-2.

Public Comment – None.

Treasurer's Report – Swedberg made a motion to approve and place on file the Marina Operating Account and the Harbor Passbook reports and Schram seconded. Motion carried 5-0

1. **Payment of Invoices** – None.

Slip Transfers – Swedberg made a motion to accept the transfer of Slip #73 from Hultgren to Moen and Schram seconded. Motion carried 5-0.

Marina Manager's Report – Shrider stated she has no idea when boat launching will occur as the ice is still in; less than 1/3 of boat launch forms have been received to date.

1. **March Financial Reports** – Shrider stated the Ship Store is slow with no activity around the marina due the ice still in the bay; because of the recent snow fall the outside work can't be done yet; the service department had an approximate \$5,000.00 deficit for the first time and believes it was due to no big money making jobs this winter; projecting forward, believe it will pick when the season begins. Shrider stated the fiscal yearend audit will be done in a couple of weeks and should be available for the next Harbor Commission meeting; the new auditors for this year is Ehlers & Pierce. Schram moved to approve and place on file the March Financial Reports and Lemire seconded. Motion carried 5-0.

Discussion and Action on Contract with Smithgroup JJR Design and Engineering Services for the Coal Dock Sheetpile Project – Kluver stated there was an error found on the contract when compared to the one from last year, Task 4 was missing however the contract dollar amount did not change; the State needs to approve the contract after we have accepted the contract terms. Kluver stated construction would start this fall pending Harbor Commission and state approval; any long term leases of the coal dock would have to be approved by the Department of Transportation due to the grant monies received to repair the coal dock. Swedberg made a motion to approve the Contract with Smithgroup JJR Design and Engineering Services for the Coal Dock Sheetpile Project and Schram seconded. Motion carried 5-0.

Discussion and Action on Purchase of Parts Washer – Schram moved to approve the purchase of the SmartWasher for \$1,599.00 and Lemire seconded. Motion carried 5-0.

Update on Boat Ramp Project Electrical Matter Fix – Kluver stated pursuing two fronts, 1) 5 Star Electric stated they are working on it and it takes time to get these things done, noting that Ashland Construction who subcontracted 5 Star Electric, has been sold and 2) we began the process to collect the performance bond. Kluver stated 5 Star Electric informed him the equipment has been ordered but have not received it; if 5 Star Electric does fix the job, we will demand to have the state inspector inspect their work.

Adjourn – Lemire moved and Schram seconded motion to adjourn. Motion carried 5-0 at 6:02 p.m.

Respectfully Submitted,
Kay Bratley, Deputy Clerk/Treasurer

Harbor Pass Book - 2018**12/31/2017 Balance Carried Forward****\$302,313.65**

12-Jan Bremer Bank Loan	-8,732.16
Smith Group JJR	-875.00
January Fringe	-104.34
26-Jan Slip Tansfer Fee	100.00
31-Jan Slip Tansfer Fee	100.00
31-Jan Interest	73.85
16-Feb Wis. DNR	-1,350.00
International Dock Products	-8,646.80
Daily Press-Decking Project Ad	-322.40
February Fringe	-104.34
Wis. Harbor Towns Assoc. -Dues	-250.00
Pine Ridge Land Surveying, LLC	-700.00
Payroll January/February	-1,419.22
T&D Enterprises, LLC	-1,500.00
23-Feb Slip Tansfer Fee	100.00
28-Feb Interest	59.29
15-Mar Trust Fund Loan	-18,381.46
International Dock Products	-9,959.40
March Fringe	-104.34
28-Mar Bremer Bank Loan	-283.48
MSA	-6,230.86
31-Mar Interest	84.92
6-Apr Slip Fees	2,618.38
Sales Tax	146.78
Annual Fee	100.00
11-Apr Slip Fees	1,248.00
Annual Fee	50.00
Sales Tax	71.39
19-Apr Washburn Chamber-Membership	-85.00
March Payroll	-1,338.57
19-Apr Register of Deeds-Mick Slip Recording Fee	-30.00
20-Apr Slip Fees	16,221.25
Annual Fee	600.00
Sales Tax	918.05
26-Apr Slip Fees	14,092.00
Sales Tax	805.30
Annual Fee	550.00
30-Apr Slip fees	18,660.18
Sales Tax	1,023.98
Annual Fee	600.00
30-Apr Interest	86.37
4-May Slip Tansfer Fee	100.00
10-May Slip Fees	19,116.00
Sales Tax	1,136.61
Annual Fee	750.00
Nelson Dock Rent	625.00

Balance as of 5/10/18**\$321,933.63**

Marina Operating Account 2018

12/31/2017 Balance Carried Forward		184,549.56
2-Jan Ck# 676	Washburn Marina	-12,898.00
5-Jan	Deposit	13,525.45
8-Jan Ck# 677	Washburn Marina	-12,897.00
12-Jan	Deposit	16,450.14
15-Jan Ck# 678	Washburn Marina	-12,897.00
	Sales Tax	-3,334.63
22-Jan Ck# 679	Washburn Marina	-12,897.00
26-Jan	Deposit	78,929.44
29-Jan Ck# 680	Washburn Marina	-12,897.00
31-Jan	Deposit	5,363.83
31-Jan	Interest	1.59
5-Feb Ck# 681	Washburn Marina	-17,284.00
12-Feb Ck# 682	Washburn Marina	-17,284.00
16-Feb	Deposit	46,697.67
19-Feb Ck# 683	Washburn Marina	-20,237.84
23-Feb	Deposit	17,813.96
26-Feb Ck# 684	Washburn Marina	-17,283.00
28-Feb	Deposit	4,501.00
28-Feb	Interest	1.72
5-Mar Ck# 685	Washburn Marina	-15,581.00
9-Mar	Deposit	14,158.28
19-Mar Ck# 686	Washburn Marina	-15,581.00
	Sales Tax	-3,030.10
26-Mar Ck# 587	Washburn Marina	-15,579.00
26-Mar	Deposit	51,663.22
31-Mar	Interest	1.86
2-Apr Ck# 688	Washburn Marina	-5,000.00
2-Apr Ck# 689	Harbor Commission Slip Fee	-800.00
6-Apr	Deposit	14,188.17
9-Apr Ck# 690	Washburn Marina	-5,000.00
11-Apr	Deposit	23,301.28
16-Apr Ck# 691	Washburn Marina	-13,323.00
20-Apr	Deposit	19,971.13
23-Apr Ck# 692	Washburn Marina	-13,323.00
26-Apr	Deposit	13,436.50
30-Apr	Deposit	12,146.20
30-Apr	Interest	2.15
1-May Ck# 693	Washburn Marina	-18,672.00
1-May Ck# 694	Sales Tax	-2,250.83
7-May Ck# 695	Washburn Marina	-18,672.00
10-May	Deposit	40,640.50
Balance as of 5/10/18		290,622.25

Lake Effect Builders, LLC
P.O. Box 55
Washburn, WI 54891
Ph: 715-209-0300 – fax: 715-812-1105
Email: info@lakeeffectbuildersllc.com

Invoice

2695

Project Washburn Marina Peir 3 PO Box 638 Washburn, WI 54891	Date 5/10/18
Customer City of Washburn PO Box 638 Washburn, WI 54891	Work Completed \$11,940.00
	Due Balance \$11,940.00
	Total Due \$11,940.00
	Payment Terms Payment due upon receipt

Brief Description	Contract	Am % Done	Value Done Pre vious	Current	Due Now
Draw for electrical Wire Purchase		10%	\$11,940.00	\$0.00	\$11,940.00 \$11,940.00
Grand Total	\$119,400.00		\$11,940.00	\$11,940.00	\$11,940.00


05/14/18
210-00-53540-420000

Hold for
HC



P.O. Box 482
Washburn, WI 54891

COMPLETION OF SLIP ASSIGNMENT TRANSFER REPORT

Date of Closing: 5/3/18

Slip Description: Pier 3, Slip #109

Final Price: \$ 0.00

Terms:

Maintenance Fees Due by Buyer: \$ Paid in full

Slip Rental Proceeds Due to Buyer: \$N/A

Registration Fees Paid by: Harbor Commission

Seller: Bob Mick

Buyer: Washburn Harbor Commission

Transfer Processed by: Washburn Marina

Copy of Recorded Transfer Provided to City on: 5/3/18

Greetings Washburn Harbor Commission:

This report confirms the completion of the transfer of slip as described above.

Sincerely,



Michelle Shrider, CMM
General Manager



P.O. Box 482
Washburn, WI 54891

COMPLETION OF SLIP ASSIGNMENT TRANSFER REPORT

Date of Closing: 04/26/18

Slip Description: Pier 2, Slip #73

Final Price: \$16,500.00

Terms:

Maintenance Fees Due by Buyer: \$ Paid in full

Slip Rental Proceeds Due to Buyer: \$N/A

Registration Fees Paid by: Buyer

Seller: Gordon & Terry Hultgren

Buyer: Michael R. Moen

Transfer Processed by: Washburn Marina

Copy of Recorded Transfer Provided to City on: 04/26/18

Greetings Washburn Harbor Commission:

This report confirms the completion of the transfer of slip as described above.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Shrider", written over a horizontal line.

Michelle Shrider, CMM
General Manager

Washburn Marina
Balance Sheet
As of April 30, 2018

	Apr 30, 18		
ASSETS		LIABILITIES & EQUITY	
Current Assets		Liabilities	
Checking/Savings		Current Liabilities	
1-1100 · Cash		Accounts Payable	
1-1110 · Checking	-2,339.79	2-1100 · Accounts Payable	25,315.70
1-1120 · Petty Cash	221.08	Total Accounts Payable	25,315.70
Total 1-1100 · Cash	<u>-2,118.71</u>	Credit Cards	
Total Checking/Savings	-2,118.71	2-1110 · Credit Card Payable	9,742.79
Accounts Receivable		Total Credit Cards	9,742.79
1-1200 · Accounts Receivable		Other Current Liabilities	
1-1210 · Billed Invoices	90,238.12	2-1300 · Payroll Liabilities	
1-1220 · Slip Holder Fees	-72,070.29	2-1310 · Employee Health Benefits	490.67
Total 1-1200 · Accounts Receivable	<u>18,167.83</u>	2-1320 · Unemployment Comp Tax	480.42
Total Accounts Receivable	18,167.83	2-1330 · State Withholding	1,210.72
Other Current Assets		2-1340 · Federal/FICA Withholding	-3,126.20
1-1300 · Ship Store Inventory		Total 2-1300 · Payroll Liabilities	-944.39
1-1311 · Clothing	628.19	2-1400 · Tax Liabilities	
1-1313 · Marine Supplies	51,073.66	2-1410 · Sales Tax Payable	9,888.90
1-1314 · Personal Items	2,393.64	Total 2-1400 · Tax Liabilities	9,888.90
1-1316 · Diesel Fuel	1,509.24	2-1500 · Other Liabilities	
1-1317 · Gasoline	2,088.27	2-1520 · Deferred Unearned Revenue	
1-1318 · Service Parts	629.97	2-1521 · Slip Rent and Sales	56,670.50
1-1319 · Slow Moving Contra	935.22	2-1522 · Gift Certificates Outstanding	192.88
Total 1-1300 · Ship Store Inventory	<u>59,258.19</u>	2-1523 · Haul Out, Storage, Launch	53,923.75
1-1330 · Notes Receivable	-255.00	Total 2-1520 · Deferred Unearned Revenue	110,787.13
1-1340 · Prepaid Expenses	21,448.39	2-1530 · Refundable Deposits	11,795.30
12000 · Undeposited Funds	32,607.72	Total 2-1500 · Other Liabilities	122,582.43
Total Other Current Assets	<u>113,059.30</u>	Total Other Current Liabilities	131,526.94
Total Current Assets	129,108.42	Total Current Liabilities	166,585.43
Fixed Assets		Total Liabilities	166,585.43
1-2100 · Furniture, Fixtures, Equipment	1,528.47	Equity	
Total Fixed Assets	<u>1,528.47</u>	3-3000 · Retained Earnings	-24,052.19
TOTAL ASSETS	<u><u>130,636.89</u></u>	Net Income	-11,896.35
		Total Equity	-35,948.54
		TOTAL LIABILITIES & EQUITY	<u><u>130,636.89</u></u>

Washburn Marina
Washburn Marina Budget vs. Actual
April 2018

BUDGET vs ACTUAL	Apr 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4-1000 · Facility Income				
4-1100 · In-Season	78,199.50	75,000.00	3,199.50	104.27%
4-1200 · Off-Season	1,500.00	1,500.00	0.00	100.0%
4-1400 · Misc Services	1,707.19	250.00	1,457.19	682.88%
Total 4-1000 · Facility Income	81,406.69	76,750.00	4,656.69	106.07%
4-2000 · Service Dept Income				
4-2100 · Labor				
4-2111 · Electrical-Plumbing	4,826.25	5,770.00	-943.75	83.64%
4-2112 · Fiberglass-Woodwork	23,605.75	15,661.00	7,944.75	150.73%
4-2113 · Mechanical	5,654.00	8,243.00	-2,589.00	68.59%
4-2114 · Rigging	519.75	1,649.00	-1,129.25	31.52%
4-2120 · Unit Billed Services				
4-2121 · Haul Out/Launch	-720.00	8,309.00	-9,029.00	-8.67%
4-2122 · Other Unit Billed	558.00	1,583.00	-1,025.00	35.25%
Total 4-2120 · Unit Billed Services	-162.00	9,892.00	-10,054.00	-1.64%
4-2100 · Labor - Other	222.75			
Total 4-2100 · Labor	34,666.50	41,215.00	-6,548.50	84.11%
4-2200 · Materials	4,422.34	7,500.00	-3,077.66	58.97%
4-2300 · Contract Services	0.00	100.00	-100.00	0.0%
4-2400 · Misc Charges	198.89	750.00	-551.11	26.52%
4-2500 · Credit/Refunds	0.00	-250.00	250.00	0.0%
Total 4-2000 · Service Dept Income	39,287.73	49,315.00	-10,027.27	79.67%
4-3000 · Ship Store Income				
4-3100 · Store Sales				
4-3110 · Clothing	90.98	0.00	90.98	100.0%
4-3120 · Consumables	0.00	0.00	0.00	0.0%
4-3130 · Marine Supplies	5,701.24	7,600.00	-1,898.76	75.02%
4-3140 · Personal Items	28.00	150.00	-122.00	18.67%
4-3150 · Special Orders	3,076.61	3,500.00	-423.39	87.9%
Total 4-3100 · Store Sales	8,896.83	11,250.00	-2,353.17	79.08%
4-3200 · Fuel Dock Sales				
4-3210 · Diesel	0.00	450.00	-450.00	0.0%
4-3220 · Gasoline	0.00	800.00	-800.00	0.0%
4-3230 · Pump Out	0.00	0.00	0.00	0.0%
Total 4-3200 · Fuel Dock Sales	0.00	1,250.00	-1,250.00	0.0%
Total 4-3000 · Ship Store Income	8,896.83	12,500.00	-3,603.17	71.18%
Total Income	129,591.25	138,565.00	-8,973.75	93.52%
Cost of Goods Sold				
5-2000 · Service Dept COGS				
5-2100 · Labor				
5-2110 · Billable Hourly Labor				
5-2111 · Electrical-Plumbing	0.00	1,187.00	-1,187.00	0.0%
5-2112 · Fiberglass-Woodworking	9,079.01	3,221.00	5,858.01	281.87%
5-2113 · Mechanical	341.98	1,695.00	-1,353.02	20.18%
5-2114 · Rigging	14.44	339.00	-324.56	4.26%
Total 5-2110 · Billable Hourly Labor	9,435.43	6,442.00	2,993.43	146.47%
5-2120 · Unit Billed Services				
5-2121 · Haul Out/Launch	0.00	1,709.00	-1,709.00	0.0%
5-2122 · Other	0.00	325.00	-325.00	0.0%
Total 5-2120 · Unit Billed Services	0.00	2,034.00	-2,034.00	0.0%
5-2100 · Labor - Other	0.00	0.00	0.00	0.0%
Total 5-2100 · Labor	9,435.43	8,476.00	959.43	111.32%
5-2200 · Subcontract Services	0.00	90.00	-90.00	0.0%
5-2300 · Materials	3,483.43	5,250.00	-1,766.57	66.35%
Total 5-2000 · Service Dept COGS	12,918.86	13,816.00	-897.14	93.51%
5-3000 · Ship Store COGS				
5-3100 · Store Sales				
5-3110 · Clothing	83.78	0.00	83.78	100.0%
5-3120 · Consumables	0.00	0.00	0.00	0.0%
5-3130 · Marine Supplies	3,642.66	4,940.00	-1,297.34	73.74%
5-3140 · Personal Items	24.29	114.00	-89.71	21.31%
5-3150 · Special Orders	2,336.47	2,625.00	-288.53	89.01%

Washburn Marina
Washburn Marina Budget vs. Actual
April 2018

BUDGET vs ACTUAL	Apr 18	Budget	\$ Over Budget	% of Budget
6-3320 · Freight/Shipping	165.31	140.00	25.31	118.08%
6-3330 · Supplies	88.98	100.00	-11.02	88.98%
6-3340 · Travel/Lodging/Meals	0.00	0.00	0.00	0.0%
6-3350 · Uniforms	11.05	0.00	11.05	100.0%
6-3360 · Utilities	90.63	91.00	-0.37	99.59%
6-3370 · Over/Under	0.00	0.00	0.00	0.0%
Total 6-3000 · Ship Store Expenses	4,291.56	5,483.00	-1,191.44	78.27%
6-4000 · General Expenses				
6-4100 · Wages & Taxes				
6-4110 · Administration Wages	8,613.00	8,640.00	-27.00	99.69%
6-4120 · Repair/Maintenance Wages	1,937.17	2,168.00	-230.83	89.35%
6-4130 · FICA/Medicare	684.81	857.00	-172.19	79.91%
6-4140 · Unemployment Compensation	5.40	216.00	-210.60	2.5%
6-4150 · Workers Compensation	501.99	569.00	-67.01	88.22%
Total 6-4100 · Wages & Taxes	11,742.37	12,450.00	-707.63	94.32%
6-4200 · Employee Benefits				
6-4210 · Holiday Pay	0.00	0.00	0.00	0.0%
6-4220 · Personal Time Compensation	0.00	197.00	-197.00	0.0%
6-4230 · Health Insurance	1,432.48	1,907.00	-474.52	75.12%
6-4240 · Retirement Plan	242.79	330.00	-87.21	73.57%
Total 6-4200 · Employee Benefits	1,675.27	2,434.00	-758.73	68.83%
6-4300 · Advertising & Marketing	487.30	1,040.00	-552.70	46.86%
6-4310 · Contract Services	28.43	30.00	-1.57	94.77%
6-4320 · Donations	10.74	50.00	-39.26	21.48%
6-4330 · Education & Training	176.33	167.00	9.33	105.59%
6-4340 · Equipmt/Furnish/Sm Tools/Maint	258.79	25.00	233.79	1,035.16%
6-4350 · Insurance	1,348.08	1,370.00	-21.92	98.4%
6-4370 · License/Permit/Fee/Dues/Subscr	39.95	205.00	-165.05	19.49%
6-4380 · Office Supplies/Postage	132.86	170.00	-37.14	78.15%
6-4390 · Professional Services	-94.50	150.00	-244.50	-63.0%
6-4400 · Service Charges	1,450.08	2,000.00	-549.92	72.5%
6-4410 · Supplies	28.99	100.00	-71.01	28.99%
6-4420 · Travel/Lodging/Miles	0.00	0.00	0.00	0.0%
6-4430 · Uniforms	18.99	200.00	-181.01	9.5%
6-4440 · Utilities	277.45	266.00	11.45	104.31%
6-4450 · Misc Expenses	72.11	125.00	-52.89	57.69%
6-4460 · Purchases Discount	-4.98	-50.00	45.02	9.96%
Total 6-4000 · General Expenses	17,648.26	20,732.00	-3,083.74	85.13%
Total Expense	35,407.30	42,642.50	-7,235.20	83.03%
Net Ordinary Income	75,152.91	73,352.50	1,800.41	102.45%
Net Income	75,152.91	73,352.50	1,800.41	102.45%

Washburn Marina
Service Department Budget vs. Actual
April 2018

BUDGET vs ACTUAL	Apr 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4-2000 · Service Dept Income				
4-2100 · Labor				
4-2111 · Electrical-Plumbing	4,826.25	5,770.00	-943.75	83.64%
4-2112 · Fiberglass-Woodwork	23,605.75	15,661.00	7,944.75	150.73%
4-2113 · Mechanical	5,876.75	8,243.00	-2,366.25	71.29%
4-2114 · Rigging	519.75	1,649.00	-1,129.25	31.52%
4-2120 · Unit Billed Services				
4-2121 · Haul Out/Launch	-720.00	8,309.00	-9,029.00	-8.67%
4-2122 · Other Unit Billed	558.00	1,583.00	-1,025.00	35.25%
Total 4-2120 · Unit Billed Services	-162.00	9,892.00	-10,054.00	-1.64%
Total 4-2100 · Labor	34,666.50	41,215.00	-6,548.50	84.11%
4-2200 · Materials	4,422.34	7,500.00	-3,077.66	58.97%
4-2300 · Contract Services	0.00	100.00	-100.00	0.0%
4-2400 · Misc Charges	198.89	750.00	-551.11	26.52%
4-2500 · Credit/Refunds	0.00	-250.00	250.00	0.0%
Total 4-2000 · Service Dept Income	39,287.73	49,315.00	-10,027.27	79.67%
Total Income	39,287.73	49,315.00	-10,027.27	79.67%
Cost of Goods Sold				
5-2000 · Service Dept COGS				
5-2100 · Labor				
5-2110 · Billable Hourly Labor				
5-2111 · Electrical-Plumbing	0.00	1,187.00	-1,187.00	0.0%
5-2112 · Fiberglass-Woodworking	9,079.01	3,221.00	5,858.01	281.87%
5-2113 · Mechanical	341.98	1,695.00	-1,353.02	20.18%
5-2114 · Rigging	14.44	339.00	-324.56	4.26%
Total 5-2110 · Billable Hourly Labor	9,435.43	6,442.00	2,993.43	146.47%
5-2120 · Unit Billed Services				
5-2121 · Haul Out/Launch	0.00	1,709.00	-1,709.00	0.0%
5-2122 · Other	0.00	325.00	-325.00	0.0%
Total 5-2120 · Unit Billed Services	0.00	2,034.00	-2,034.00	0.0%
5-2100 · Labor - Other	0.00	0.00	0.00	0.0%
Total 5-2100 · Labor	9,435.43	8,476.00	959.43	111.32%
5-2200 · Subcontract Services	0.00	90.00	-90.00	0.0%
5-2300 · Materials	3,483.43	5,250.00	-1,766.57	66.35%
Total 5-2000 · Service Dept COGS	12,918.86	13,816.00	-897.14	93.51%
Total COGS	12,918.86	13,816.00	-897.14	93.51%
Gross Profit	26,368.87	35,499.00	-9,130.13	74.28%
Expense				
6-2000 · Service Dept Expenses				
6-2100 · Non-Billable Wages & Taxes				
6-2110 · Non-Billable Salary & Wages				
6-2111 · Administrative	3,381.13	3,424.00	-42.87	98.75%

Washburn Marina
Ship Store Budget vs. Actual
April 2018

BUDGET vs ACTUAL	Apr 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4-3000 · Ship Store Income				
4-3100 · Store Sales				
4-3110 · Clothing	90.98	0.00	90.98	100.0%
4-3120 · Consumables	0.00	0.00	0.00	0.0%
4-3130 · Marine Supplies	5,701.24	7,600.00	-1,898.76	75.02%
4-3140 · Personal Items	28.00	150.00	-122.00	18.67%
4-3150 · Special Orders	3,076.61	3,500.00	-423.39	87.9%
Total 4-3100 · Store Sales	8,896.83	11,250.00	-2,353.17	79.08%
4-3200 · Fuel Dock Sales				
4-3210 · Diesel	0.00	450.00	-450.00	0.0%
4-3220 · Gasoline	0.00	800.00	-800.00	0.0%
4-3230 · Pump Out	0.00	0.00	0.00	0.0%
Total 4-3200 · Fuel Dock Sales	0.00	1,250.00	-1,250.00	0.0%
Total 4-3000 · Ship Store Income	8,896.83	12,500.00	-3,603.17	71.18%
Total Income	8,896.83	12,500.00	-3,603.17	71.18%
Cost of Goods Sold				
5-3000 · Ship Store COGS				
5-3100 · Store Sales				
5-3110 · Clothing	83.78	0.00	83.78	100.0%
5-3120 · Consumables	0.00	0.00	0.00	0.0%
5-3130 · Marine Supplies	3,642.66	4,940.00	-1,297.34	73.74%
5-3140 · Personal Items	24.29	114.00	-89.71	21.31%
5-3150 · Special Orders	2,336.47	2,625.00	-288.53	89.01%
Total 5-3100 · Store Sales	6,087.20	7,679.00	-1,591.80	79.27%
5-3200 · Fuel Dock Sales				
5-3210 · Diesel	0.00	387.00	-387.00	0.0%
5-3220 · Gasoline	0.00	688.00	-688.00	0.0%
Total 5-3200 · Fuel Dock Sales	0.00	1,075.00	-1,075.00	0.0%
5-9900 · POS Inventory Adjust	24.98			
Total 5-3000 · Ship Store COGS	6,112.18	8,754.00	-2,641.82	69.82%
Total COGS	6,112.18	8,754.00	-2,641.82	69.82%
Gross Profit	2,784.65	3,746.00	-961.35	74.34%
Expense				
6-3000 · Ship Store Expenses				
6-3100 · Wages & Taxes				
6-3110 · Regular & OT Wages	2,365.21	3,489.00	-1,123.79	67.79%
6-3120 · FICA/Medicare	241.93	297.00	-55.07	81.46%
6-3130 · Unemployment Compensation	1.91	154.00	-152.09	1.24%
6-3140 · Workers Compensation	170.93	169.00	1.93	101.14%
Total 6-3100 · Wages & Taxes	2,779.98	4,109.00	-1,329.02	67.66%
6-3200 · Employee Benefits				
6-3210 · Holiday Pay	0.00	0.00	0.00	0.0%

Washburn Marina
General Expenses Budget vs. Actual
April 2018

BUDGET vs ACTUAL		Apr 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Expense					
6-4000 · General Expenses					
6-4100 · Wages & Taxes					
6-4110 · Administration Wages		8,613.00	8,640.00	-27.00	99.69%
6-4120 · Repair/Maintenance Wages		1,937.17	2,168.00	-230.83	89.35%
6-4130 · FICA/Medicare		684.81	857.00	-172.19	79.91%
6-4140 · Unemployment Compensation		5.40	216.00	-210.60	2.5%
6-4150 · Workers Compensation		501.99	569.00	-67.01	88.22%
Total 6-4100 · Wages & Taxes		11,742.37	12,450.00	-707.63	94.32%
6-4200 · Employee Benefits					
6-4210 · Holiday Pay		0.00	0.00	0.00	0.0%
6-4220 · Personal Time Compensation		0.00	197.00	-197.00	0.0%
6-4230 · Health Insurance		1,432.48	1,907.00	-474.52	75.12%
6-4240 · Retirement Plan		242.79	330.00	-87.21	73.57%
Total 6-4200 · Employee Benefits		1,675.27	2,434.00	-758.73	68.83%
6-4300 · Advertising & Marketing		487.30	1,040.00	-552.70	46.86%
6-4310 · Contract Services		28.43	30.00	-1.57	94.77%
6-4320 · Donations		10.74	50.00	-39.26	21.48%
6-4330 · Education & Training		176.33	167.00	9.33	105.59%
6-4340 · Equipmt/Furnish/Sm Tools/Maint		258.79	25.00	233.79	1,035.16%
6-4350 · Insurance		1,348.08	1,370.00	-21.92	98.4%
6-4370 · License/Permit/Fee/Dues/Subscr		39.95	205.00	-165.05	19.49%
6-4380 · Office Supplies/Postage		132.86	170.00	-37.14	78.15%
6-4390 · Professional Services		-94.50	150.00	-244.50	-63.0%
6-4400 · Service Charges		1,450.08	2,000.00	-549.92	72.5%
6-4410 · Supplies		28.99	100.00	-71.01	28.99%
6-4420 · Travel/Lodging/Miles		0.00	0.00	0.00	0.0%
6-4430 · Uniforms		18.99	200.00	-181.01	9.5%
6-4440 · Utilities		277.45	266.00	11.45	104.31%
6-4450 · Misc Expenses		72.11	125.00	-52.89	57.69%
6-4460 · Purchases Discount		-4.98	-50.00	45.02	9.96%
Total 6-4000 · General Expenses		17,648.26	20,732.00	-3,083.74	85.13%
Total Expense		17,648.26	20,732.00	-3,083.74	85.13%
Net Ordinary Income		-17,648.26	-20,732.00	3,083.74	85.13%
Net Income		-17,648.26	-20,732.00	3,083.74	85.13%

PREVIOUS YEAR COMPARISON		Apr 18	Apr 17	\$ Change	% Change
Ordinary Income/Expense					
Expense					
6-4000 · General Expenses					
Total Expense		17,648.26	21,460.74	-3,812.48	-17.77%
Net Ordinary Income		-17,648.26	-21,460.74	3,812.48	17.77%
Net Income		-17,648.26	-21,460.74	3,812.48	17.77%

Marina Management, Inc.

Financial Statements
With
Independent Accountant's Review Report

For the Year Ended March 31, 2018

DRAFT

Ehlers & Pierce, CPAs, Inc.
313 3rd Street West
Ashland, WI 54806
715-682-8353

Marina Management, Inc.
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Ehlers & Pierce, CPAs, Inc.

Certified Public Accountants

313 3rd Street West

Ashland, WI 54806

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Marina Management, Inc.
Bayfield, Wisconsin

We have reviewed the accompanying financial statements of Marina Management, Inc. (an S-Corporation), which comprise the balance sheet as of Mar 31, 2018, and the related statements of net operating income, non-operating activity and retained earnings and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information contained in the Schedule to Reconcile Cash Transfers to and from Washburn Harbor Commission to Revenue and Expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Ehlers & Pierce, CPA's Inc.
Ashland, WI
May 13, 2018

Marina Management, Inc.
Balance Sheet
March 31, 2018

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 14,550
Accounts Receivable	56,954
Prepaid Expenses	24,569
Inventory	<u>58,659</u>
Total Current Assets	<u>154,732</u>
Property and Equipment	<u>-</u>
TOTAL ASSETS	<u>\$ 154,732</u>

LIABILITIES AND OWNERS EQUITY	
Current Liabilities	
Accounts Payable	\$ 24,464
Accrued Expenses	5,166
Deferred Revenue	<u>150,038</u>
Total Current Liabilities	<u>179,668</u>
Long Term Liabilities	<u>-</u>
Total Liabilities	<u>179,668</u>
Owner's Equity	
Retained Earnings	<u>(24,936)</u>
TOTAL LIABILITIES AND OWNERS EQUITY	<u>\$ 154,732</u>

Marina Management, Inc.
Statement of Net Operating Income
For Year Ended March 31, 2018

Facility Income	\$ 221,792
Service Department Income	685,907
Store Sales	<u>180,597</u>
Total Revenue	<u>1,088,296</u>
Cost of Goods Sold	
Service Department	237,281
Ship Store	<u>131,598</u>
Total Cost of Goods Sold	<u>368,879</u>
Gross Profit	<u>719,417</u>
Operating Expenses	
Payroll and Payroll Taxes	314,152
Advertising and Promotion	8,741
Donations	1,306
Employee Benefits-Retirement and Health Insurance	51,440
Freight and Shipping	5,260
General Insurance & Workers Comp Insurance	33,604
Licenses, Permits, Dues and Subscriptions	2,493
Maintenance and Supplies	21,326
Office Supplies and Postage	1,497
Professional and Contract Services	6,630
Service Charges	15,326
Small Tools	4,484
Supplies	1,996
Travel and Training	10,796
Uniforms	2,411
Utilities	<u>36,138</u>
Total Expenses	<u>517,600</u>
Net Operating Income	<u>\$ 201,817</u>

Marina Management, Inc.
Statement of Non-Operating Activity and Retained Earnings
For Year Ended March 31, 2018

Transfers to Washburn Harbor Commission	\$ (1,437,441)
Receipts from Washburn Harbor Commission	1,157,573
Maintenance Fees	<u>127,837</u>
Net Non-Operating Activity	<u>(152,031)</u>
Net Operating Income	201,817
Beginning Retained Earnings	<u>(14,928)</u>
Shareholder Distributions	(59,794)
Ending Retained Earnings	<u>\$ (24,936)</u>

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Marina Management, Inc.
Statement of Cash Flows
For Year Ended March 31, 2018

Cash Flows from Operating Activities	
Net Operating Income	\$ 201,817
Adjustments to reconcile net operating income to net cash provided by operating activities	
(Increase) Decrease in:	
Increase in accounts receivable	(43,047)
Increase in inventory	(11,464)
Decrease in Notes Receivable	195
Prepaid Expenses	2,169
Increase (Decrease) in:	
Decrease in accounts payable	(5,521)
Increase in accrued liabilities	77,148
Net cash provided by operating activities	<u>221,297</u>
Cash flows from investing activities	<u>-</u>
Cash Flows from Financing Activities	
Transfers to Washburn Harbor Commission	(1,437,441)
Transfers from Washburn Harbor Commission	1,157,573
Maintenance Fees	127,837
Shareholder Distributions	<u>(59,794)</u>
Net Cash used by Financing Activities	<u>(211,825)</u>
Net increase in cash and cash equivalents	<u>9,472</u>
Cash and cash equivalents at beginning of year	5,078
Cash and cash equivalents at end of year	<u>\$ 14,550</u>

Marina Management, Inc.
Notes to the Financial Statements
For Year Ended March 31, 2018

Note 1. Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

The Marina Management, Inc. is an S Corporation, incorporated in the State of Wisconsin, as a for profit corporation. The Company was organized for the purpose of managing the Washburn Marina, which is owned by the City of Washburn, Wisconsin. Oversight is provided by the Washburn Harbor Commission.

Summary of Significant Accounting Policies

This summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. The financial statement and notes are representations of the Company's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of financial statements. All carrying amounts are considered to be at fair market value.

Nature of Operations – Basis of Accounting

The company provides a range of marina services to customers including a ship store, service department, slip rentals, slip sales and other services. The Company prepares its financial statements on the accrual basis of accounting incorporating marina industry specific standards.

Cash and Cash Equivalents

Cash and cash equivalents represent all cash on hand and deposits in financial institutions. Cash equivalents are short-term financial instruments with less than 91 days maturity.

Inventories

Inventory consists of the merchandise for resale, supplies and parts on hand in the ship store, service departments and other storage areas. Inventory is owned by the City of Washburn but is presented in the financial statements to present a complete view of the company's financial condition. The inventory is valued at the lower of cost (first-in-first-out) or market value whichever is lower. No service work in process is reported, as work in progress, because they are billed to customer at month end and reported as accounts receivable.

Depreciation

All property and equipment are owned by the City of Washburn and the Harbor Commission has oversight of the property and equipment. The Company does not record as an asset property and equipment owned by the City of Washburn; therefore, no depreciation is recorded.

Marina Management, Inc.
Notes to the Financial Statements
For Year Ended March 31, 2018

Note 2. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3. Deferred Revenues

Certain products and services are paid in advance. These payments are reported as a liability until the product or service is provided. The total reported as deferred revenue at March 31, 2018 is \$150,038 which consists of the following:

<u>Description</u>	<u>Total</u>
Haul out, Storage, Launch	\$138,218
Refundable Deposits	11,820
Total	\$150,038

Note 4. Non-Operating Activities

All receipts collected by the Company are remitted to the City of Washburn Harbor Commission. All costs associated with the operation of the marina are detailed and submitted to the Harbor Commission and a check for the total is issued to the Company. These activities are reported as non-operating activities. The difference between the reported revenues and expenses and the amounts paid to and received from the Harbor Commission is the result of various accruals.

Note 5. Employee Benefits

The company has established a Simple IRA retirement plan for the benefit of its employees which matches up to 3% for the eligible employees.

The company offers at a cost of 15% of the monthly premium for single coverage, an insurance plan, which includes medial, short term disability insurance, long term disability, and life insurance.

Note 6. Long Term Liabilities

There were no long-term liabilities for the company.

Note 7. Income Taxes

Marina Management, Inc. is a corporation formed under IRS sub-section S. Any net income or loss is reported to the owner's personal income tax return. Therefore, taxes are not reported as an expense to the Company.

Note 8. Subsequent Events

There were no subsequent events through May 13, 2018 which is the date the financial statements were available to be issued.

See independent accountant's review report

Marina Management, Inc.
 Schedule to Reconcile Cash Transfers to and from
 Washburn Harbor Commission to Revenue and Expenses
 For Year Ended March 31, 2018

Operating Revenue	\$ 1,088,296
Beginning Accounts Receivable	91,986
Ending Accounts receivable	(56,954)
Beginning Deferred Revenue	(140,335)
Ending Deferred Revenues	150,038
Maintenance Fees	127,837
Non-Income Statement Transfers	176,576
Cash Transferred to Washburn Harbor Commission	<u>\$ 1,437,444</u>

Cost of Sales	\$ 368,879
Operating Expenses	517,600
Beginning Accounts Payable	34,543
Ending Accounts Payable	(24,464)
Beginning Accrued Expenses	4,026
Ending Accrued Expenses	(5,166)
Beginning Inventory	(40,135)
Ending Inventory	58,659
Beginning Prepaid Expenses	(26,777)
Ending Prepaid Expenses	24,569
Non-Income Statement Transfers	245,839
Cash received from Washburn Harbor Commission	<u>\$ 1,157,573</u>

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FY 2012-13	\$ 174,007.00		
UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 137,172.00	50%	\$ 41,086.00
Above & to	\$ 174,007.00	65%	\$ 23,942.75
			<u>\$ 78,778.75</u>

FY 2013-14

UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 144,112.00	50%	\$ 44,556.00
Above & to	\$ 194,398.00	65%	\$ 32,685.90
			<u>\$ 90,991.90</u> confirmed 6/12/14

FY 2014-15

UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 155,663.00	50%	\$ 50,331.50
Above & to	\$ 204,436.00	65%	\$ 31,702.45
			<u>\$ 95,783.95</u> confirmed

FY 2015-16

UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 162,059.00	50%	\$ 53,529.50
Above & to	\$ 261,946.00	65%	\$ 64,926.55
			<u>\$ 132,206.05</u> confirmed

FY 2016-17

UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 171,755.00	50%	\$ 58,377.50
Above & to	\$ 244,125.00	65%	\$ 47,040.50
			<u>\$ 119,168.00</u> confirmed

FY 2017-18

UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 178,382.00	50%	\$ 61,691.00
Above & to	\$ 201,816.80	65%	\$ 15,232.62
			<u>\$ 90,673.62</u> Projected 5/14/18

FY 2018-19

UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 182,842.00	50%	\$ 63,921.00
Above & to		65%	\$ (118,847.30)
			<u>\$ (41,176.30)</u>

FY 2019-20

UP to	\$ 55,000.00	25%	\$ 13,750.00
UP to	\$ 187,413.00	50%	\$ 66,206.50
Above & to		65%	\$ (121,818.45)
			<u>\$ (41,861.95)</u>

CITY OF WASHBURN
119 Washington Avenue
P.O. Box 638
Washburn, WI 54891



715-373-6160
715-373-6161
FAX 715-373-6148

To: Harbor Commission Members
From: Scott J. Kluver, Administrator ^{SK}
Re: Agenda Matters for 051618
Date: May 9, 2018

Please see my comments on various agenda items:

- H. This is the draft renewal of the agreement for Nelson Construction. The language has been updated to comply with the agreement with the DOT for the sheetpile project. I have also updated the dates and any other relevant information. Everything else is essentially the same as last year. This draft is still subject to legal review at this time, so there may be some changes by the meeting.
- I. This is the draft agreement for Pearl Beach Construction for sections A & B of the coal dock. The basic terms are the same as for what we have for Nelson Construction. We have been assured that care will be taken to allow fishing at the end of the dock as long as activity allows it. Again, this draft is still subject to legal review at this time.
- J. Nearly each year, gravel has needed to be purchased for the boat storage area. Last year, leavings from the parking lot work were used to help grade the area. In 2016, 100 yards were purchased for \$2,900 to stabilize the area. That much is requested again.
- K. The plastic water piping on pier 4 was supposed to be sleeved to protect it from UV light which will eventually cause it to crack. This issue was noted when we bid the Pier 3 work. As for Pier 4, it is "water under the pier" at this point. The recommended solution is to have the Harbor Commission pay for sleeving to cover that piping.
- L. As you may recall, the Harbor Commission purchased a different boat ramp gangway to make the loading of boats easier and more logical than what was specified in the project. As a result, we have a long section of gangway that has been un-utilized and we have not been able to find a buyer for it. I am requesting permission to utilize this gangway to replace the walking-trail bridge if it can work. If the gangway does not work, I request that the Harbor Commission authorize placing the section up for bid on an on-line auction site in order to get rid of it.

Please let me know if you have questions on any of these matters.

*Piledriving – Marine Construction – Sand & Gravel
Sewer & Water – Concrete Ready-Mix*

NELSON

PO Box 5, La Pointe, WI 54850

Construction Company of La Pointe, Inc.

Phone: 715-747-3300

Fax: 715-747-5000

Email: nelsonco@cheqnet.net

May 7, 2018

Mr. Scott J. Kluver, Administrator
City of Washburn
119 Washington Avenue
PO Box 638
Washburn, WI 54891

RE: COAL DOCK LEASE AGREEMENT

Dear Mr. Kluver;

As per our agreement dated 4/19/17 with the City of Washburn for use of the coal dock for material storage and materials transferred across the dock, we are requesting to renew this agreement for an additional year.

The current lease expires on 5/31/18 – we would like to renew this agreement for the term of June 1, 2018 to May 31, 2019. We would also like to keep all aspects of the contract the same as the current agreement. We are hopeful that the City is also willing to do this and if so, please draw up an letter of extension of this existing agreement and we will gladly sign and return it to you.

Also, we are enclosing a check for the balance of the fees currently due based on our current agreement. We owe for 100 yds of material that was stored on the coal dock over this winter. As per the agreement that material is charged at a rate of \$2.00/ton for stored materials – The material weighs 2 tons per yard, at 100 yds, that equals 200 tons, 200 tons @ \$2.00/ton = \$400.00 (see check enclosed).

In addition, while we were reviewing our file and double checking materials received vs. transferred over the dock, it came to our attention that we missed reporting a slip from our supplier for rock that was delivered and therefore, it was not included on our last payment to the City in the fall of 2017. That money due is also included on the enclosed check as follows: The missing slip was for 45 yds of material, @ 2 tons per yard, equals 90 tons of material @ a rate of \$2.50/ton for materials transferred across the dock, equals an amount due to the City of \$225.00 (see check enclosed).

We hope to hear back from the City asap in regards to our request to extend our agreement an additional year and also let us know if you have any questions regarding the enclosed check in the amount of \$625.00.

Please feel free to call me if you should have any questions. My cell phone is: 715-209-1800.

Sincerely,



Arnold Nelson

Enclosure

**AGREEMENT BY AND BETWEEN THE
HARBOR COMMISSION
OF THE
CITY OF WASHBURN
AND NELSON CONSTRUCTION COMPANY OF LA POINTE, INC.**

THIS NONEXCLUSIVE AGREEMENT (hereinafter referred to as the “Agreement”) by and between the Harbor Commission of the City of Washburn, Bayfield County, Wisconsin (hereafter referred to as the “Commission”) and Nelson Construction Company of La Pointe, Inc. of La Pointe, Wisconsin (hereafter referred to as the “User”) is hereby made effective on June 1, 2018.

W I T N E S S E T H:

WHEREAS, the Commission has available a Dock at the Port of Washburn for the transloading and storage of bulk materials; and,

WHEREAS, this Agreement is intended to provide for certain duties and responsibilities of the Commission and User for use of the Dock.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

**ARTICLE 1
COMMISSION COVENANTS**

The Commission hereby covenants and agrees that it will:

Section 1.1 Use. Give the User free and unrestricted use of all /part of the Dock as described in the Addendum, by User, within the conditions, covenants, requirements, and responsibilities of this Agreement. City allows use of the Dock to the User “as is” and makes no representations as to its suitability or fitness to bear the weight of vehicle traffic and rock storage and movement.

Section 1.2 Access. Give the User vehicle access to the Dock, contingent upon applicable local street, road and highway load limits, however, the Commission and City will have the authority to determine the local roads the User shall be permitted to utilize to access the Dock.

Draft 5/10/18

ARTICLE II USER COVENANTS

The User hereby covenants and agrees that it will:

Section 2.1 Responsibilities. Abide by the restrictions and responsibilities established by this Agreement.

Section 2.2 Insurance. Shall provide the Commission with a certificate of liability insurance indicating public liability insurance with limits of liability no less than the amount set forth in the Addendum, and naming both the Washburn Harbor Commission and the City of Washburn as additional insureds, and maintain such insurance coverage for the term of the agreement. User agrees that at no time will materials be stored on the Dock prior to the Commission's receipt of the required certificate of insurance.

Section 2.3 Material Removal. It will remove all materials from the Dock at the conclusion of the agreement term. If material remains on the Dock charges will apply as provided in the Addendum. In the event that weight restrictions remain on local and county streets, roads and highways at the conclusion of the agreement term, User shall remove said materials not less than two weeks after the removal of weight restrictions by the Bayfield County Highway Commissioner.

Section 2.4 Lawful Storage. It will not place materials on the Dock in any unlawful, or disreputable manner or in a condition which would be considered hazardous by the Commission. In the event materials are stored in a hazardous manner, the User agrees that it shall take immediate steps, upon notification of the Commission, to eliminate any unlawful, disreputable or hazardous condition.

Section 2.5 Hazardous Materials. It will not store any hazardous or toxic materials on the Dock.. It will not allow any debris or other material to enter the waters of Lake Superior, and will immediately report any such incident to the Commission and the Wisconsin Department of Natural Resources (DNR), will remove any such material, will comply with any orders of the DNR or of any other state or federal agency, and will defend, indemnify, and hold the Commission and the City of Washburn harmless for any fines, forfeitures, damages, costs, and fees associated with any such release.

Section 2.6 Permits. It will comply with all local, state and federal regulations related to the storage, transportation, sale and distribution of said storage materials referred to herein and shall be responsible to obtain all licenses and permits necessary for the storage and transportation of said materials. Any violation by User of any permit or license or violation for failure to obtain said permit or license shall be grounds for termination of this Agreement in accordance with Article III. The User agrees that it alone has responsibility to acquire the necessary licenses and

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permits to carry on its activities on the agreed upon premises of the Commission and that it shall hold the Commission and City harmless in the event said licenses and permits are not obtained by the User.

Section 2.7 Post Agreement Condition. It will, upon removal of stored materials on the Dock, leave the Dock surface and structure in as good or better condition than before the storage took place on said Dock. Further, if the Dock or the storage area is damaged by the User, the User agrees to be responsible for the costs of any repairs incurred by the City to the Dock caused by the User.

Section 2.8 Dock Access. It will follow the local roads designated by the Commission and City for access to the Dock and abide by local load and weight restrictions imposed by the Commission and City for local roads and city streets. The User agrees to be responsible for the costs of any repairs to any street or alley damaged by hauling to or from the dock.

Section 2.9 Nuisance Creation. It will not conduct any operation within the agreed upon area of use or in the course of transporting materials to or from the agreed upon area of use area that will create excessive noise, odors, smoke, dust, vibration, industrial waste, toxic matter or other excessive measurable external nuisances in violation of any municipal ordinance or applicable Wisconsin law or regulation. It will transport materials to and from the dock only during the hours specified by the Commission. It will conduct operations on the Dock only during the hours specified by the Commission. The User shall not allow any materials of any sort to fall onto any street or alley of the City or any property adjacent thereto from any truck on its way to or from the Dock, and if any material does so fall, shall remove it immediately, and if it does not remove it immediately shall be liable for the cost to the City for its removal.

Section 2.10 Reports. It will provide reports on the quantities of materials stored on the agreed upon area of use within 15 calendar days of a request submitted to it by the Commission.

Section 2.11. Third-party hauling. The User shall be responsible for compliance with the provisions of this Article II, whether or not any activities undertaken pursuant to this Agreement are undertaken by the User, or by a subcontractor, vendor, purchaser or other.

ARTICLE III PUBLIC INFRASTRUCTURE PROTECTION

Section 3.1. Prevention of spills; cleanup and repair. The User shall take reasonable precautions to prevent rocks, debris, soil or dust from being dropped or spilled from trucks onto roadways within the City limits and to assure that project-related trucking activities are conducted in such a manner that roadways are maintained in good condition for public use, all by and at the expense

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of the User. If rocks, debris, soil or dust originating from trucks hauling to and from the Dock fall into the roadway within City limits, the User shall remove such material immediately and at its expense. If the material is not removed immediately, the City's Director of Public Works shall contact the User and require that the necessary cleanup work occur. If the User fails to respond to said request by 4:00 p.m. of the day the request is made, the City may perform the work at the User's expense. However, if in the opinion of the City's Director of Public Works or its Police Chief, the material presents a public safety hazard, the City may immediately remove the material at the User's expense. The City's Director of Public Works may also require that any damage to a roadway caused by such materials be either temporarily or permanently repaired, or both, and upon User's failure to do so satisfactorily within the time allowed by the City, the City may undertake the repair at the User's expense. The User shall not be obligated to reimburse the City for routine street sweeping expenses or expenses of cleaning dust, debris or mud not originating from trucks hauling to and from the Dock. The City may enforce all applicable provisions of state and local law, including the provisions of Chapter 348 and Sec. 86.01, Wis. Stats., and any ordinances adopted in conformity therewith.

ARTICLE IV TERM, RENEWAL & TERMINATION

Section 4.1 Term. The term of this Agreement shall be as set forth in the Addendum.

Section 4.2 Renewal. All outstanding fees due the Commission shall be paid prior to the Renewal of this Agreement.

Section 4.3 Termination for Non Payment. Should the User fail to remit payments as required in this Agreement, or should the User fail to comply with any other term of this Agreement, the Commission may at its option, immediately terminate this Agreement and order any materials stored on the Dock at the time of termination immediately removed at the sole expense of the User.

Section 4.4 Notice to Terminate. It is understood by both parties that termination of this Agreement for any reason other than Non-Payment requires a written "Notice to Terminate" issued by the terminating party a minimum of thirty days in advance of the effective date of termination.

A. If such "Notice of Termination" should be issued by the Commission, a prorated refund of the Agreement payment shall be returned to the User after taking into account any amounts due the Commission.

B. If such "Notice of Termination" should be issued by the User, the Commission shall not be obligated to return any portion of the Agreement fee paid by the User to the Commission.

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**ARTICLE V
AGREEMENT PAYMENT**

Section 5.1 Fee. The Fee for use of the dock shall be as set forth in the Addendum.

**ARTICLE VI
TRANSFER RIGHTS**

Section 6.1. Transfer Rights. The User may not assign or transfer this agreement, or any of the rights conveyed herein, without written consent of the Commission.

**ARTICLE VII
INDEMNITY**

Section 7.1 Indemnification. The User hereby agrees to indemnify and hold the City, its Commissions, Authorities, Boards, Committees, officers agents, and employees harmless from and against any and all liabilities, obligations, claims damages, injuries, penalties, causes of action, judgments, costs and expenses (including, but not limited to, reasonable attorney's fees) imposed upon, incurred by or asserted against the Commission or City during or with respect to the term hereof, arising from the User's use of the Dock or any failure of the User to duly and fully perform or comply with each and all of the terms of this Agreement.

**ARTICLE VIII
NOTICES**

Section 8.1 For the City: All notices and issues involving the terms of this Agreement and payments required of this Agreement shall be directed, on behalf of the City, to:

Scott J. Kluver
City Administrator
City of Washburn
P.O. Box 638
Washburn, Wisconsin 54891
715-373-6160 Extension 4
Fax: 715-373-6148

The City's contact person for issues involving the use of the commercial (coal) dock shall be the office of Public Works Director:

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Public Works Director
City of Washburn
P.O. Box 638
Washburn, Wisconsin 54891
715-373-6171
Fax: 715-373-6148

Section 8.2 For User: All notices to the User shall be directed to:

Arnold Nelson
Nelson Construction Company of La Pointe, Inc.
P.O. Box 5
La Pointe, Wisconsin 54850
715-747-3300
Fax: 715-747-5000
E-mail: nelsonco@cheqnet.net

ARTICLE IX MISCELLANEOUS

Section 9.1. Addendum. The Addendum to this Agreement is made a part hereof and its terms are fully incorporated in this Agreement as if set out in full.

Section 9.2 Amendments. Neither this Agreement nor any of the terms, covenants, or conditions herein may be modified or amended except by an agreement in writing approved and executed by the Commission and User.

Section 9.3 Severability. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable under applicable law, then the remainder of the Agreement shall not be affected.

Section 9.4 Construction. The headings of the paragraphs and subparagraphs of this Agreement are for convenience only and shall in no way affect the construction or effect of any of the terms, covenants, or conditions hereof.

Section 9.5 Interpretation. This Agreement shall be interpreted and applied in accordance with the laws of the State of Wisconsin.

Section 9.6 Binding Effect. This Agreement shall inure to the benefit of, and shall be binding upon the Commission and User and their respective successors and assigns.

Section 9.7. Forum for Resolution of Disputes. Any dispute between the parties that cannot be amicably resolved shall be resolved in the Circuit Court for Bayfield County, Wisconsin.

IN WITNESS WHEREOF, THE HARBOR COMMISSION OF THE CITY OF WASHBURN has caused this Agreement to be signed by Carl Broberg, its President and countersigned by Scott J. Kluver, Clerk of the City of Washburn, Wisconsin this ??th day of May, 2018.

Carl R. Broberg, Commission President

Scott J. Kluver, Clerk

USER:

By:

Arnold Nelson, President
Nelson Construction Company of La Pointe, Inc.

Date

**ADDENDUM TO AGREEMENT BY AND BETWEEN THE
HARBOR COMMISSION OF THE CITY OF WASHBURN
AND NELSON CONSTRUCTION COMPANY OF LA POINTE, INC.**

1. Insurance.
 - a. General liability. Limits of liability shall be:
Commercial General Liability \$1,000,000 for each occurrence/\$3,000,000 general aggregate
Automobile \$1,000,000
Umbrella \$1,000,000
Workman Compensation – As required by State.

2. Term. Start date: June 1, 2018
End date: May 31, 2019
Special provisions: Term may be extended by mutual agreement. No activities may be conducted on July 3, 4, 27, and 28. No activities may be conducted on Sundays. No activities may be conducted outside the hours of 6:00 a.m. to 8:00 p.m. Monday through Friday, and 6:00 a.m. to 6:00 p.m. on Saturday.

3. Fees.
 - a. Fee for term: \$2.50/ton material over dock; and no storage fee for materials through October 31, 2018. After that date, \$2 per ton of material stored until the end of the term.
 - b. Fee for additional time after end of term: \$75/day for materials stored outside the term of this agreement.
 - c. Special provisions: Documentation of tonnage trans-loaded/stored material shall be provided on a monthly basis.

4. Portion of dock for use:
 All.
 Part. Describe: Approximate 120' x 130' area on west side of dock, or Section "C" on Map Exhibit A.

Set forth any load limits: Shall follow established road limits.

5. Dust control: Efforts shall be taken to minimize any dust. Should dust be an issue, watering shall occur.

6. Other special provisions: (1) Barricades and/or fencing will be used if necessary. (2) The intent of use is for staging of materials for various projects, not throughout the term of the

Agreement. (3) Storage of materials, equipment and activities shall not impede traffic ingress or egress to other sections of the dock not covered by this agreement.

**AGREEMENT BY AND BETWEEN THE
HARBOR COMMISSION
OF THE
CITY OF WASHBURN
AND PEARL BEACH CONSTRUCTION COMPANY, INC.**

THIS NONEXCLUSIVE AGREEMENT (hereinafter referred to as the “Agreement”) by and between the Harbor Commission of the City of Washburn, Bayfield County, Wisconsin (hereafter referred to as the “Commission”) and Pearl Beach Construction Company, Inc. of Chesterfield, Michigan (hereafter referred to as the “User”) is hereby made effective on June 1, 2018.

W I T N E S S E T H:

WHEREAS, the Commission has available a Dock at the Port of Washburn for the transloading and storage of bulk materials; and,

WHEREAS, this Agreement is intended to provide for certain duties and responsibilities of the Commission and User for use of the Dock.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

**ARTICLE 1
COMMISSION COVENANTS**

The Commission hereby covenants and agrees that it will:

Section 1.1 Use. Give the User free and unrestricted use of all /part of the Dock as described in the Addendum, by User, within the conditions, covenants, requirements, and responsibilities of this Agreement. City allows use of the Dock to the User “as is” and makes no representations as to its suitability or fitness to bear the weight of vehicle traffic and rock storage and movement.

Section 1.2 Access. Give the User vehicle access to the Dock, contingent upon applicable local street, road and highway load limits, however, the Commission and City will have the authority to determine the local roads the User shall be permitted to utilize to access the Dock.

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ARTICLE II USER COVENANTS

The User hereby covenants and agrees that it will:

Section 2.1 Responsibilities. Abide by the restrictions and responsibilities established by this Agreement.

Section 2.2 Insurance. Shall provide the Commission with a certificate of liability insurance indicating public liability insurance with limits of liability no less than the amount set forth in the Addendum, and naming both the Washburn Harbor Commission and the City of Washburn as additional insureds, and maintain such insurance coverage for the term of the agreement. User agrees that at no time will materials be stored on the Dock prior to the Commission's receipt of the required certificate of insurance.

Section 2.3 Material Removal. It will remove all materials from the Dock at the conclusion of the agreement term. If material remains on the Dock charges will apply as provided in the Addendum. In the event that weight restrictions remain on local and county streets, roads and highways at the conclusion of the agreement term, User shall remove said materials not less than two weeks after the removal of weight restrictions by the Bayfield County Highway Commissioner.

Section 2.4 Lawful Storage. It will not place materials on the Dock in any unlawful, or disreputable manner or in a condition which would be considered hazardous by the Commission. In the event materials are stored in a hazardous manner, the User agrees that it shall take immediate steps, upon notification of the Commission, to eliminate any unlawful, disreputable or hazardous condition.

Section 2.5 Hazardous Materials. It will not store any hazardous or toxic materials on the Dock.. It will not allow any debris or other material to enter the waters of Lake Superior, and will immediately report any such incident to the Commission and the Wisconsin Department of Natural Resources (DNR), will remove any such material, will comply with any orders of the DNR or of any other state or federal agency, and will defend, indemnify, and hold the Commission and the City of Washburn harmless for any fines, forfeitures, damages, costs, and fees associated with any such release.

Section 2.6 Permits. It will comply with all local, state and federal regulations related to the storage, transportation, sale and distribution of said storage materials referred to herein and shall be responsible to obtain all licenses and permits necessary for the storage and transportation of said materials. Any violation by User of any permit or license or violation for failure to obtain said permit or license shall be grounds for termination of this Agreement in accordance with Article III. The User agrees that it alone has responsibility to acquire the necessary licenses and

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permits to carry on its activities on the agreed upon premises of the Commission and that it shall hold the Commission and City harmless in the event said licenses and permits are not obtained by the User.

Section 2.7 Post Agreement Condition. It will, upon removal of stored materials on the Dock, leave the Dock surface and structure in as good or better condition than before the storage took place on said Dock. Further, if the Dock or the storage area is damaged by the User, the User agrees to be responsible for the costs of any repairs incurred by the City to the Dock caused by the User.

Section 2.8 Dock Access. It will follow the local roads designated by the Commission and City for access to the Dock and abide by local load and weight restrictions imposed by the Commission and City for local roads and city streets. The User agrees to be responsible for the costs of any repairs to any street or alley damaged by hauling to or from the dock.

Section 2.9 Nuisance Creation. It will not conduct any operation within the agreed upon area of use or in the course of transporting materials to or from the agreed upon area of use area that will create excessive noise, odors, smoke, dust, vibration, industrial waste, toxic matter or other excessive measurable external nuisances in violation of any municipal ordinance or applicable Wisconsin law or regulation. It will transport materials to and from the dock only during the hours specified by the Commission. It will conduct operations on the Dock only during the hours specified by the Commission. The User shall not allow any materials of any sort to fall onto any street or alley of the City or any property adjacent thereto from any truck on its way to or from the Dock, and if any material does so fall, shall remove it immediately, and if it does not remove it immediately shall be liable for the cost to the City for its removal.

Section 2.10 Reports. It will provide reports on the quantities of materials stored on the agreed upon area of use within 15 calendar days of a request submitted to it by the Commission.

Section 2.11. Third-party hauling. The User shall be responsible for compliance with the provisions of this Article II, whether or not any activities undertaken pursuant to this Agreement are undertaken by the User, or by a subcontractor, vendor, purchaser or other.

ARTICLE III PUBLIC INFRASTRUCTURE PROTECTION

Section 3.1. Prevention of spills; cleanup and repair. The User shall take reasonable precautions to prevent rocks, debris, soil or dust from being dropped or spilled from trucks onto roadways within the City limits and to assure that project-related trucking activities are conducted in such a manner that roadways are maintained in good condition for public use, all by and at the expense

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of the User. If rocks, debris, soil or dust originating from trucks hauling to and from the Dock fall into the roadway within City limits, the User shall remove such material immediately and at its expense. If the material is not removed immediately, the City's Director of Public Works shall contact the User and require that the necessary cleanup work occur. If the User fails to respond to said request by 4:00 p.m. of the day the request is made, the City may perform the work at the User's expense. However, if in the opinion of the City's Director of Public Works or its Police Chief, the material presents a public safety hazard, the City may immediately remove the material at the User's expense. The City's Director of Public Works may also require that any damage to a roadway caused by such materials be either temporarily or permanently repaired, or both, and upon User's failure to do so satisfactorily within the time allowed by the City, the City may undertake the repair at the User's expense. The User shall not be obligated to reimburse the City for routine street sweeping expenses or expenses of cleaning dust, debris or mud not originating from trucks hauling to and from the Dock. The City may enforce all applicable provisions of state and local law, including the provisions of Chapter 348 and Sec. 86.01, Wis. Stats., and any ordinances adopted in conformity therewith.

ARTICLE IV TERM, RENEWAL & TERMINATION

Section 4.1 Term. The term of this Agreement shall be as set forth in the Addendum.

Section 4.2 Renewal. All outstanding fees due the Commission shall be paid prior to the Renewal of this Agreement.

Section 4.3 Termination for Non Payment. Should the User fail to remit payments as required in this Agreement, or should the User fail to comply with any other term of this Agreement, the Commission may at its option, immediately terminate this Agreement and order any materials stored on the Dock at the time of termination immediately removed at the sole expense of the User.

Section 4.4 Notice to Terminate. It is understood by both parties that termination of this Agreement for any reason other than Non-Payment requires a written "Notice to Terminate" issued by the terminating party a minimum of thirty days in advance of the effective date of termination.

A. If such "Notice of Termination" should be issued by the Commission, a prorated refund of the Agreement payment shall be returned to the User after taking into account any amounts due the Commission.

B. If such "Notice of Termination" should be issued by the User, the Commission shall not be obligated to return any portion of the Agreement fee paid by the User to the Commission.

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**ARTICLE V
AGREEMENT PAYMENT**

Section 5.1 Fee. The Fee for use of the dock shall be as set forth in the Addendum.

**ARTICLE VI
TRANSFER RIGHTS**

Section 6.1. Transfer Rights. The User may not assign or transfer this agreement, or any of the rights conveyed herein, without written consent of the Commission.

**ARTICLE VII
INDEMNITY**

Section 7.1 Indemnification. The User hereby agrees to indemnify and hold the City, its Commissions, Authorities, Boards, Committees, officers agents, and employees harmless from and against any and all liabilities, obligations, claims damages, injuries, penalties, causes of action, judgments, costs and expenses (including, but not limited to, reasonable attorney's fees) imposed upon, incurred by or asserted against the Commission or City during or with respect to the term hereof, arising from the User's use of the Dock or any failure of the User to duly and fully perform or comply with each and all of the terms of this Agreement.

**ARTICLE VIII
NOTICES**

Section 8.1 For the City: All notices and issues involving the terms of this Agreement and payments required of this Agreement shall be directed, on behalf of the City, to:

Scott J. Kluver
City Administrator
City of Washburn
P.O. Box 638
Washburn, Wisconsin 54891
715-373-6160 Extension 4
Fax: 715-373-6148

The City's contact person for issues involving the use of the commercial (coal) dock shall be the office of Public Works Director:

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Public Works Director
City of Washburn
P.O. Box 638
Washburn, Wisconsin 54891
715-373-6171
Fax: 715-373-6148

Section 8.2 For User: All notices to the User shall be directed to:

Karl D. Dornburg
Pearl Beach Construction Company, Inc.
50551 Chesterfield Road
Chesterfield, Michigan 48051
586-206-4674
Fax: 866-470.5954
E-mail: pbdisaster@hotmail.com

ARTICLE IX MISCELLANEOUS

Section 9.1. Addendum. The Addendum to this Agreement is made a part hereof and its terms are fully incorporated in this Agreement as if set out in full.

Section 9.2 Amendments. Neither this Agreement nor any of the terms, covenants, or conditions herein may be modified or amended except by an agreement in writing approved and executed by the Commission and User.

Section 9.3 Severability. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable under applicable law, then the remainder of the Agreement shall not be affected.

Section 9.4 Construction. The headings of the paragraphs and subparagraphs of this Agreement are for convenience only and shall in no way affect the construction or effect of any of the terms, covenants, or conditions hereof.

Section 9.5 Interpretation. This Agreement shall be interpreted and applied in accordance with the laws of the State of Wisconsin.

Section 9.6 Binding Effect. This Agreement shall inure to the benefit of, and shall be binding upon the Commission and User and their respective successors and assigns.

Section 9.7. Forum for Resolution of Disputes. Any dispute between the parties that cannot be amicably resolved shall be resolved in the Circuit Court for Bayfield County, Wisconsin.

IN WITNESS WHEREOF, THE HARBOR COMMISSION OF THE CITY OF WASHBURN has caused this Agreement to be signed by Carl Broberg, its President and countersigned by Scott J. Kluver, Clerk of the City of Washburn, Wisconsin this th day of May, 2018.

Carl R. Broberg, Commission President

Scott J. Kluver, Clerk

USER:

By:

Karl D. Dornburg, President
Pearl Beach Construction Company, Inc.

Date

**ADDENDUM TO AGREEMENT BY AND BETWEEN THE
HARBOR COMMISSION OF THE CITY OF WASHBURN
AND PEARL BEACH COMPANY, INC.**

1. Insurance.
 - a. General liability. Limits of liability shall be:
Commercial General Liability \$1,000,000 for each occurrence/\$3,000,000 general aggregate
Automobile \$1,000,000
Umbrella \$1,000,000
Workman Compensation – As required by State.

2. Term. Start date: June 1, 2018
End date: May 31, 2019
Special provisions: Term may be extended by mutual agreement. No activities may be conducted on July 3, 4, 27, and 28. No activities may be conducted on Sundays. No activities may be conducted outside the hours of 6:00 a.m. to 8:00 p.m. Monday through Friday, and 6:00 a.m. to 6:00 p.m. on Saturday.

3. Fees.
 - a. Fee for term: \$2.50/ton material over dock; and no storage fee for materials through October 31, 2018. After that date, \$2 per ton of material stored until the end of the term.
 - b. Fee for additional time after end of term: \$75/day for materials stored outside the term of this agreement.
 - c. Special provisions: Documentation of tonnage trans-loaded/stored material shall be provided on a monthly basis.

4. Portion of dock for use:
 - All.
 - Part. Describe: Approximate 240' x 130' area on west side of dock, or Sections "A and B" on Map Exhibit A.

Set forth any load limits: Shall follow established road limits.

5. Dust control: Efforts shall be taken to minimize any dust. Should dust be an issue, watering shall occur.

6. Other special provisions: (1) Barricades and/or fencing will be used if necessary. (2) The intent of use is for staging of materials for various projects, not throughout the term of the

Agreement. (3) Storage of materials, equipment and activities shall not impede traffic ingress or egress to other sections of the dock not covered by this agreement.

