

Rent
Dockage Fee

Account # 4-344-100-02 Water
4-344-100-03

Northside Municipal Dock Lease - Hanke

NORTHSIDE MUNICIPAL DOCK LEASE

THIS LEASE made and entered into this 20th day of March , 1995, by and between the Board of Harbor Commissioners of the City of La Crosse, Wisconsin, hereinafter referred to as "Board", duly authorized by resolution of the Common Council of the City of La Crosse, Wisconsin, and Hanke Terminals, Inc., a Wisconsin Corporation, hereinafter referred to as "Lessee."

WHEREAS, the Board is a duly created Board of Harbor Commissioners by the Common Council of the City of La Crosse, Wisconsin, pursuant to Chapter 30 of the Wisconsin Statutes; and

WHEREAS, it is the policy of the Board to maintain the operation of the Northside harbor facility in a continuous, peaceful and efficient manner; and

WHEREAS, it is the desire of Lessee to lease such facility in accordance with the policy of the Board and its rules and regulations;

NOW, THEREFORE, FOR AND IN CONSIDERATION of the covenants and agreements to be kept and performed by the parties hereto, and upon the terms and conditions hereinafter provided, it is mutually agreed and understood by the parties hereto as follows:

1. PREMISES.

Board leases to Lessee the following described areas of the Northside Dock more fully described on Exhibit "A" and shown on Exhibit "B" consisting of a drawing. The lease also includes mooring facilities or structures in place on the date of this Lease.

2. PURPOSE.

The purpose of this agreement is to lease to Lessee the publicly-owned harbor or wharfing facility and related equipment owned by the City of La Crosse, Wisconsin, located on the east bank of the Black River at approximate River Mile 1.4, as more fully described in paragraph 1. Lessee may use the leased premises temporarily to moor barges and ancillary craft and service the loading and unloading of manufactured goods and bulk commodities such as iron ore, giving due consideration to insuring the continuing use of said facility by La Crosse area based industries or businesses, as set forth in Section 12 of this Lease, for the launching of boats, shipment of products or other past uses that without the utilization of this docking facility would not be able to deliver their products and goods to consumers. Other bulk commodities may be loaded or unloaded only with prior written consent of the Board. Lessee shall handle without discrimination, any valid and legitimate cargo authorized herein. Lessee shall not handle or store in and around the leased premises any explosive, volatile, dangerous or noxious cargo without express advance written authorization of the Board. No commodities or personalty may be stored on the leased property, including those which have been unloaded or will be loaded at the facility, except for the storage of the abovestated iron ore which may be stored only for short periods of time. No equipment may be stored on the leased property except for a scale to be utilized for the weighing of commodities.

3. TERM.

The term of this Lease shall be for one (1) year beginning on March 20, 1995, and shall be automatically renewed on a year-to-year basis unless either party to this Lease notifies the other party to this Lease in writing thirty (30) days prior to the renewal date that it does not want this Lease to be renewed. Provided, however, this Lease may be cancelled on sixty (60) days' notice by the Board of Harbor Commissioners for any reason.

4. RENTAL.

- (a) Lessee agrees to pay the City of La Crosse, Wisconsin, ("City") as rent, the sum of \$5,000 for the leased premises consisting of wharfing or mooring structure. Such rental shall be payable to the City Treasurer for the City within thirty (30) days of the date of this Lease.

- (b) In addition to the rental set forth herein above, Lessee shall pay to the City for the use and occupancy of the premises:

They will send us a report at the end of the year. Ask Anita for amount 1/1/90

- (1) A dockage fee of 25¢ per gross ton (2,000 pounds) for each and every ton which exceeds 10,000 tons either loaded or unloaded across the leased property during the term of this Lease. This dockage fee is to be paid to the City Treasurer of the City by December 31, 1995.
- (2) Lessee shall furnish to the City's Finance Director, with a copy to the Secretary of the Board, on or before December 31, 1995, a statement, certified in such manner as the City's Finance Director may prescribe, itemizing the aforesaid dockage charges during the term of the lease, and shall make payment of such additional charges at the same time, payable to the City of La Crosse.
- (3) Any rental, dockage or wharfing charges payable by Lessee hereunder which are not paid when due shall bear interest at the rate of 12 percent per annum from the date thereof until paid.

5. INSPECTION BY BOARD.

In order that the Board may carry out the obligations imposed upon it by law, by this agreement, or otherwise, Lessee agrees that the City or the Board, or their agents and employees, shall have the right at all reasonable times, or at any time in the event of an emergency, to enter upon the premises. Lessee further agrees to permit the Board and the City or their respective agents or employees to inspect the premises at any and all reasonable times, to ascertain whether or not Lessee's covenants herein are being observed.

6. REPORTS AND RECORDS.

Lessee shall keep records of the volume of cargo or commodities loaded and unloaded to or from barges, boats or vessels. Such records shall include the type of cargo, the name or identification numbers of barges, trucks and tonnage of each movement, origin and destination of each, and date of service. A report including the above information for the term of this Lease shall be furnished to the Board on or before December 31, 1995. Lessee further shall hold available to the Board's auditors or designated officials, during regular working hours, all records pertaining to the receipt and shipment of all cargos handled at the leased facility for verification of Lessee's reports, together with all records reasonably necessary for verification by

the Board of the additional rent (tonnage charge) and further grants the Wisconsin Department of Transportation reasonable access to its records in order to determine compliance with the Grant Agreement between the City of La Crosse, Wisconsin, and the Wisconsin Department of Transportation dated October 4, 1983.

7. TAXES.

Lessee shall pay when due any and all applicable taxes that may be assessed or levied on leasehold improvements or cargo, which shall be in addition to the above rental charges or fees.

8. LAWS, RULES AND REGULATIONS.

Lessee shall obtain all necessary permits and licenses required in connection with the leasing of the aforesaid harbor facility. Costs associated with the acquisition of the permits and licenses shall be at the expense of Lessee. Lessee further acknowledges and agrees to comply with the order of the State of Wisconsin, Department of Natural Resources regarding the permit granted to the City of La Crosse to repair an existing barge loading/unloading dock and pile clusters in the Black River, City of La Crosse, La Crosse County, Wisconsin, Permit No. 3-WC-88-3761 dated January 4, 1989, which is attached hereto as Exhibit "C" and made a part hereof.

Lessee shall not at any time during the term hereof use or allow the use of the said premises for any purpose or use in violation of this agreement, or of the laws, regulations and/or ordinances of the United States of America, of the State of Wisconsin, or of the City of La Crosse, or of the Board, whether such laws, regulations and/or ordinances now exist or shall be enacted, or issued during the term of this Lease.

Lessee agrees in the use and operation of the premises not to obstruct or in any way impede unnecessarily navigation in the Mississippi River - Black River outlet, and likewise agrees to comply with all existing applicable lawful rules and regulations of the Board or other lawful authority affecting navigation in said waterway.

Lessee agrees to observe all laws and ordinances applicable to the installation, maintenance and removal of any improvements on the leased premises, or for access thereto, and to take appropriate safeguards to prevent loss, damage or injury to leased premises or to any adjacent facilities.

Lessee shall keep the leased premises, including the access road, in a safe and clean condition in accordance with all local ordinances and other laws and governmental regulations affecting the said premises, and shall remove promptly at Lessee's cost any

rubbish or waste materials of any character whatsoever which may accumulate thereon. Any oil, sludge, residue, etc., to be disposed of in connection with Lessee's operations shall not be discharged into the Black River. Lessee shall not dispose of trash and/or refuse on the adjacent premises or waterway.

Board shall at all times be free to make and enforce any reasonable and uniform rules, regulations or ordinances which it deems necessary or appropriate with regard to property under its administration, of which the leased premises forms a part, provided that such rules, regulations or ordinances shall not be arbitrary or discriminatory against Lessee.

Lessee agrees to enforce all of the above-mentioned laws, ordinances, rules and regulations both with reference to employees of Lessee and with reference to all other persons entering the premises who derive their right to be thereon from Lessee.

9. INSURANCE.

Should Lessee use the dock for loading and unloading, Lessee shall procure and maintain at Lessee's sole cost and expense stevedore's legal liability insurance with limit of liability of not less than \$1,000,000 for property damage from any one occurrence.

Lessee shall procure and maintain, at Lessee's sole cost and expense, wharfinger's liability insurance as will cover the legal liability for loss or damage to vessels, equipment, cargo, freight and other interests on board such vessels or barges which are in Lessee's care, custody or control, including the safe mooring, and as will cover Lessee's legal liability for damage to property of others caused by said barges or vessels, equipment, cargo or freight which are in Lessee's care, custody or control. Such insurance shall be in the minimum amount of \$1,000,000 per occurrence.

The above required insurance policies may include a deductible clause in an amount not to exceed \$5,000 per occurrence. Lessee shall be responsible for any penalty amount deducted from any loss payment due to any coinsurance or deductible clause that is part of the insurance conditions.

Lessee shall procure and maintain, at Lessee's sole cost and expense, comprehensive general liability insurance, with a minimum combined single limit of \$1,000,000 plus excess coverage for a total of not less than \$1,000,000 for bodily injury and property damage per occurrence. Said insurance shall contain the "broad form contractual endorsement." The liability policy shall name as additional insureds the Wisconsin Department of Transportation and the City of La Crosse and their officials, Board members, employees and agents.

Lessee shall procure and maintain, at Lessee's sole cost and expense, comprehensive motor vehicle liability insurance, which shall include hired and non-owned vehicles coverage with a minimum combined single limit of \$1,000,000 for bodily injury and property damage per occurrence.

Lessee shall procure and maintain, at Lessee's sole cost and expense, standard workers' compensation insurance, as will protect Lessee from claims under the Wisconsin Workers' Compensation Act. The limit of liability under the employer's liability section of the workmen's compensation insurance policy shall be not less than the Wisconsin statutory limit. Whenever applicable, protection shall be granted for liability under the Jones Act and/or Longshore and Harbor Worker's Compensation Act and under general maritime law.

All of the insurance policies required above, as well as any insurance carried by Lessee, or those holding under or through Lessee, for the protection of its or their property on the leased premises or their operations, shall provide that the insurers waive their rights of subrogation against the City of La Crosse and its officials, Board members, employees and agents. Lessee further agrees to waive and agrees to have its insurers waive any rights of subrogation with respect to deductibles under such policies and with respect to damage to equipment including the loss of use thereof, whether insured or not. All such policies shall also provide for thirty (30) days notice of cancellation and/or material change to be sent to Board at the address designated. All such policies shall be written by non-assessable mutual or stock insurance companies, who are rated "B" or better in Best's Key Rating Guide and are licensed to do business in the State of Wisconsin. Lessee shall furnish Board certificates evidencing that it has procured the insurance required herein, prior to occupancy of the premises by Lessee. Nothing herein contained shall prevent Lessee or Board from placing and maintaining at Lessee's or Board's own individual cost and expense, additional or other insurance as may be desired. This paragraph as to waiver of subrogation rights shall only apply to property damage insurance of Lessee.

10. IMPROVEMENTS, MAINTENANCE AND REPAIR.

It is hereby understood that the premises and dock facility leased by Board to Lessee are accepted and shall be taken by Lessee and by those occupying same by or through Lessee in the condition they are at the time that they are tendered by Board for occupancy and use by Lessee without any obligation on Board to make any changes or improvements therein or to do construction of any kind therein, except as may be otherwise specifically provided in this agreement.

Lessee shall furnish all necessary improvements and equipment for the usual and routine operation of the dock on a safe basis. Lessee may fence the property and provide access to such property through a locked gate. Lessee agrees to provide City with keys to such gate or provide access to keys through some other means (i.e. axe box, etc.). Lessee agrees to have a local representative available in the La Crosse area during normal business hours. Lessee agrees to keep leased premises in good repair at Lessee's expense, including the wharfing or mooring structure, pilings and any necessary dredging of the Black River in order to maintain proper water depth for the safe and convenient use of dock and shall maintain the integrity of the river bank and shoreline.

Lessee shall be responsible for the provision of all additional site improvements. Prior approval from the Board shall be obtained before any enclosed permanent structure is placed on the leased premises.

11. LIENS.

Lessee shall not permit any laborer's, mechanic's or materialman's liens to be placed upon the improvements on the leased premises by any laborer, contractor, or subcontractor, employed by Lessee during the term hereof; and Lessee agrees promptly to discharge or cause to be discharged any such lien or liens attaching to said improvements; or, if in default therein for thirty (30) days after written notice thereof from Board, in causing the removal of such lien or liens, including reasonable attorney's fees and expenses. Nothing herein contained, however, shall require Board to discharge such lien or liens except in its own discretion. Liens or security interest of financial institutions for the purpose of financing dock improvements, facilities or equipment shall be given only after written consent of the Board.

12. ASSIGNMENT AND SUBLETTING; USE BY OTHERS.

Lessee shall not assign this Lease, in whole or in part, nor sublet the premises or any portion thereof to anyone, without in each case the written consent, in advance, of Board, and shall not permit any transfer by operation of law of all or any of Lessee's interest in said premises acquired through or by this Lease. Lessee, in case of a sublease under permission of Board, shall remain at all times primarily liable for the prompt payment of all rent or other amounts due from Lessee under the terms hereof and for the prompt performance of all covenants on Lessee's part herein agreed to be performed, unless Board shall specifically agree, in writing, to relieve and discharge Lessee from such liability.

Use By Others: La Crosse Area based industries or businesses, hereinafter referred to as "Permittee", shall have the right to use said premises after issuance of a permit by the Board for the launching of boats and/or the shipment of products as set forth in Section 2 above. Use of the facility shall be for no more than two (2) consecutive weeks at one time unless consent is obtained in writing from the Board. Permittee shall obtain a permit (Exhibit "D") for each time the facility is utilized and such permit shall be obtained from the Public Works Department, City Hall, La Crosse, Wisconsin. As a condition to the issuance of said Permit, the Permittee shall be required to further protect, defend, indemnify and keep and save forever harmless Lessee, Board and City from and against any and all loss, cost, claims, charges, expenses, penalties, damages, fines, suits, demands and actions of any kind and nature whatsoever arising out of any accident or other occurrence causing injury to any person (fatal or otherwise) or damages to property, directly or indirectly due to the use or occupancy of the leased premises during the term of the permit or arising in Permittee's performance of its obligations hereunder, if occasioned, brought about, or caused in whole or in part by any fault or act of commission or omission of Permittee, its agents or employees, or of any other persons who derive their right to be on the leased premises from Permittee, and not caused by any fault or negligence of Lessee, Board, its employees or agents. As a condition to the issuance of said Permit, the Permittee further agrees to carry adequate insurance coverage in amounts and coverages to be determined by the City of La Crosse to insure payment of any and all such liabilities, and to furnish the City with satisfactory proof thereof.

13. **DEFAULT.**

In the event any one or more of the following events (hereinafter sometimes referred to as events of default) should occur, namely:

- (a) if Lessee shall fail duly and punctually to pay the rental or to make any other payment required hereunder when due to Board, and if such failure shall continue for a period of thirty (30) days after written notice thereof has been given to Lessee by Board or its designee;
- (b) if Lessee shall be adjudged a bankrupt or insolvent by any court of competent jurisdiction, or if by a voluntary petition in bankruptcy or petition for reorganization or arrangement shall be filed by Lessee, or if a receiver of the property of Lessee shall be appointed;
- (c) if the interest of the Lessee under this agreement be transferred to pass to or devolve upon any other person, firm or corporation, by operation of law or otherwise, without the written consent of Board, except to a subsidiary or successor company;

- (d) if Lessee becomes a corporation or other entity in dissolution or liquidation, whether voluntary or as the result of any act or omission, or by operation of law or the order or decree of any court having jurisdiction or for any other reason whatsoever, and the exceptions of sub. (c) above have not become operative;
- (e) if, by or pursuant to or under authority of any legislative act, resolution or rule or any order or decree of any court or governmental Board, agency or office, a receiver, trustee, or liquidator, shall take possession or control of all or substantially all of the property of Lessee;
- (f) if Lessee shall voluntarily abandon, desert or vacate the premises or discontinue its operations at the premises;
- (g) if Lessee breaches or defaults in respect of any of the other covenants, conditions or agreements herein contained and on its part to be performed and fails for a period of thirty (30) days after receipt of written notice thereof to remedy such default, or, if remedying such default would reasonably require longer than 30 days, to commence to remedy and to thereafter proceed with all reasonable diligence to the remedying of such default;

then, upon the occurrence of such event of default, the rent, at the rate then in effect, for the remaining term of this Lease shall at once become due and exigible, without putting Lessee in default, and Board shall have the option: (1) to demand the rent for the whole term, (2) to proceed for past due installments only, Board reserving the right to proceed later for the remaining installments, or (3) to cancel this Lease immediately, all without putting Lessee in default. In addition to exercising the rights or remedies hereinabove provided in this paragraph, upon the occurrence or event of default sub. (f), above (i.e., abandonment or discontinuance of operations), whether alone or in conjunction with other events of default, Board may take possession of the premises immediately and for the remaining term hereof, for the purpose of continuing the operation of the public harbor facility, either directly with Board's employees or through a third-party operator or Lessee, and Lessee shall nevertheless continue to be obligated to pay the base or minimum rent until this Lease expires or otherwise terminates, and the net proceeds derived by Board from such operation shall be applied against Lessee's rent obligation. (The term "net proceeds" as used in the preceding sentence shall mean the sum realized by Board from the operation of the facility, less all direct and indirect expenses of Board other than the expense of Board's maintenance obligations under this agreement.) In all cases, Lessee shall remain responsible for all damages or losses suffered by Board as a consequence of Lessee's breach in the performance of its obligations hereunder. Failure strictly and promptly to enforce these conditions shall not operate as a waiver of Board's rights.

14. TERMINATION OF LEASE.

Upon termination of this Lease by cancellation or expiration, or for any other reason whatsoever, Lessee shall immediately yield up possession of the premises to Board in good condition; provided, that the Lease shall nevertheless continue in effect until ships and barges in berth at the public harbor facility have completed loading or unloading and until all materials in storage or otherwise on the premises have been inventoried and fully accounted for by Lessee, Board reserving the right to verify Lessee's inventory and accounting. Rent and storage or other charges due or already paid shall be adjusted pro rata between Board and Lessee as of the actual cut-off time.

In the case of failure or refusal of Lessee to yield up the premises as aforesaid, Lessee shall pay as liquidated damages for the whole time such possession is withheld, double the proportionate amount of the base or minimum rent herein specified. This provision shall not constitute a waiver by Board of any remedies now or hereafter given to Board by the laws of Wisconsin.

Upon such termination, unless Lessee is in default hereunder, Lessee shall have a reasonable time after such termination within which it may remove from the leased premises property, including scale, belonging to Lessee and property belonging to third persons but for which Lessee is responsible.

Upon such termination, Lessee may be required by Board to remove any and all facilities, buildings and structures placed by Lessee on the leased premises, title to which has not vested in Board pursuant to the provisions of this Lease (rather than by operation of law). All such improvements which are permanently attached to the premises, except the scale, may be retained by Board, at Board's option, and if so retained shall automatically become the property of Board without payment or compensation therefor. Board agrees to advise Lessee in writing no later than five (5) days after such termination which improvements are to be retained and which must be removed. When removing such improvements, Lessee shall restore the affected portion of the premises to its previous condition.

In any event, Lessee shall remove all trash, stocks of materials, supplies, tools, etc., belonging to Lessee or Lessee's agents.

If the facilities, buildings and structures which are required by Board to be removed from the leased premises and all trash, stocks of materials, supplies, tools, etc., placed on the leased premises by Lessee or Lessee's agents, shall have not been removed by Lessee prior to the date of termination of this Lease, it will be optional with Board either to collect double the proportionate amount of the base or minimum rent as liquidated damages until the said facilities, buildings and structures, trash,

stocks of materials, supplies, tools, etc., have been removed by Lessee; or to remove the same at Lessee's cost, risk and expense, the double rental to continue until ultimate removal thereof; or to retain the same, or any part thereof, without payment or reimbursement to Lessee, unless other arrangements have been made in writing between Board and Lessee with regard to the removal thereof.

15. INDEMNITY.

Lessee shall protect, defend, indemnify and keep and save forever harmless Board, City and Wisconsin Department of Transportation from and against any and all loss, cost, claims, charges, expenses, penalties, damages, fines, suits, demands and actions of any kind and nature whatsoever by reason of any and all of Lessee's operations and the operations of those holding under or through Lessee on the leased premises, or such as may be imposed for the violation of any law of the United States, or of the State of Wisconsin, or of any ordinance of the City of La Crosse or of Board, or of any regulations of any governmental agency (Federal, State or local), including any and all liability under employers' liability or workmen's compensation acts (Federal or State) if occasioned by any fault or act of commission or omission of Lessee, its employees or agents, or of any other persons who derive their right to be on the leased premises from Lessee, and not occasioned by any fault or negligence of Board, its employees, agents or Permittees.

Lessee shall further protect, defend, indemnify and keep and save forever harmless Board and City from and against any and all loss, cost, claims, charges, expenses, penalties, damages, fines, suits, demands and actions of any kind and nature whatsoever arising out of any accident or other occurrence causing injury to any person (fatal or otherwise) or damages to property, directly or indirectly due to the use or occupancy of the leased premises by Lessee during the term of this Lease or arising in Lessee's performance of its obligations hereunder, if occasioned, brought about, or caused in whole or in part by any fault or act of commission or omission of Lessee, its agents or employees, or of any other persons who derive their right to be on the leased premises from Lessee, and not caused by any fault or negligence of Board, its employees, agents or Permittees.

Lessee, from the time of its occupancy of the premise, shall assume sole responsibility for the condition of the premises, and Board shall not be liable for injury or damage, whether to person or property, caused by any vice or defect therein, either to Lessee or to anyone in or on the premises who derives his right to be thereon from Lessee, unless it be shown that Board knew of such vice or defect, or should within reason have known thereof, or had received notice of such vice or defect and failed to remedy same within a reasonable time thereafter, provided that, under the terms of this agreement, Board would have been under the duty of remedying such vice or defect.

16. NOTICE.

Wherever in these provisions of this agreement notice is required to be given by either party hereto, it shall not be construed to mean personal service, but it shall mean notice in writing, addressed to the party to receive such notice, sent by registered or certified United States mail, as follows:

If for Board: City of La Crosse Board of Harbor Commissioners
c/o City Planning Department
City Hall, 400 La Crosse Street
La Crosse, WI 54601

If for Lessee: Mr. Richard S. Hanke, President
Hanke Terminals, Inc.
P. O. Box 56
Slinger, WI 53086-0056

or as may be designated by the respective parties from time to time by notice given pursuant to this paragraph.

17. SUCCESSORS AND ASSIGNS.

This agreement shall inure to the benefit of and shall be binding on the successors and assigns of Board, and, except as otherwise provided in this agreement, on the successors and assigns of Lessee.

18. CHOICE OF LAW.

This agreement shall be interpreted in accordance with the statutes and laws of the United States of America and of the State of Wisconsin.

19. DISCRIMINATION.

Lessee agrees that no otherwise handicapped individual in the United States as defined in Section 706(7) of Title 29 USC, or as specifically provided for in Subchapter II of Chapter 111, Wisconsin Statutes, shall, solely by reason of his/her handicap, be excluded from employment or be subjected to discrimination under any activity by Lessee. Lessee further agrees to comply with the following laws, policies, and regulations and pertinent directions:

- (a) Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 US 2000d et. seq.
- (b) Subchapter II of Chapter 111, Wisconsin Statutes.

20. SEVERABILITY.

If any term, covenant, condition or revision (or part thereof) of this Lease or the application thereof to any party or circumstance, shall at any time or to any extent be held to be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision (or remainder thereof) to the parties or circumstances other than those to which it is held to be invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition and provision of this agreement shall be valid and be in force to the fullest extent provided by law.

21. AMENDMENT.

No term or provision of this agreement or any other attachments may be changed, waived, discharged or terminated orally, only by an instrument in writing signed by both parties to this agreement.

22. CONFLICT OF INTEREST.

No director, officer or employee of the City of La Crosse or Board during their tenure or for one (1) year thereafter shall have any interest, direct or indirect, in this Lease or in the proceeds thereof, except as permitted under Section 946.13(2), Wisconsin Statutes, and City of La Crosse Municipal Code, Section 2.48.

23. ATTACHMENTS.

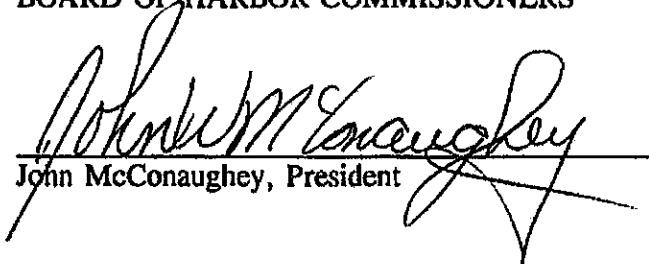
Attachments to this agreement are incorporated into this agreement by reference.

24. ENTIRE AGREEMENT.

This agreement and the attachments hereto contain the entire agreement of the parties and supersede any and all prior agreements or oral understandings between the parties.

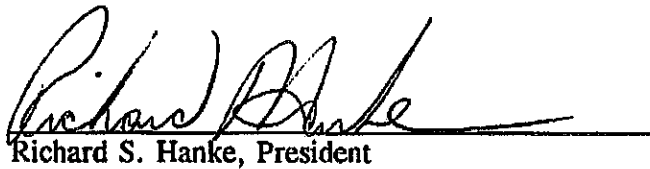
IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed and attested by their duly authorized officers.

BOARD OF HARBOR COMMISSIONERS


John McConaughey, President


Lawrence J. Kirch, Secretary

HANKE TERMINALS, INC.


Richard S. Hanke, President

LEASE DESCRIPTION

NORTHSIDE MUNICIPAL DOCK

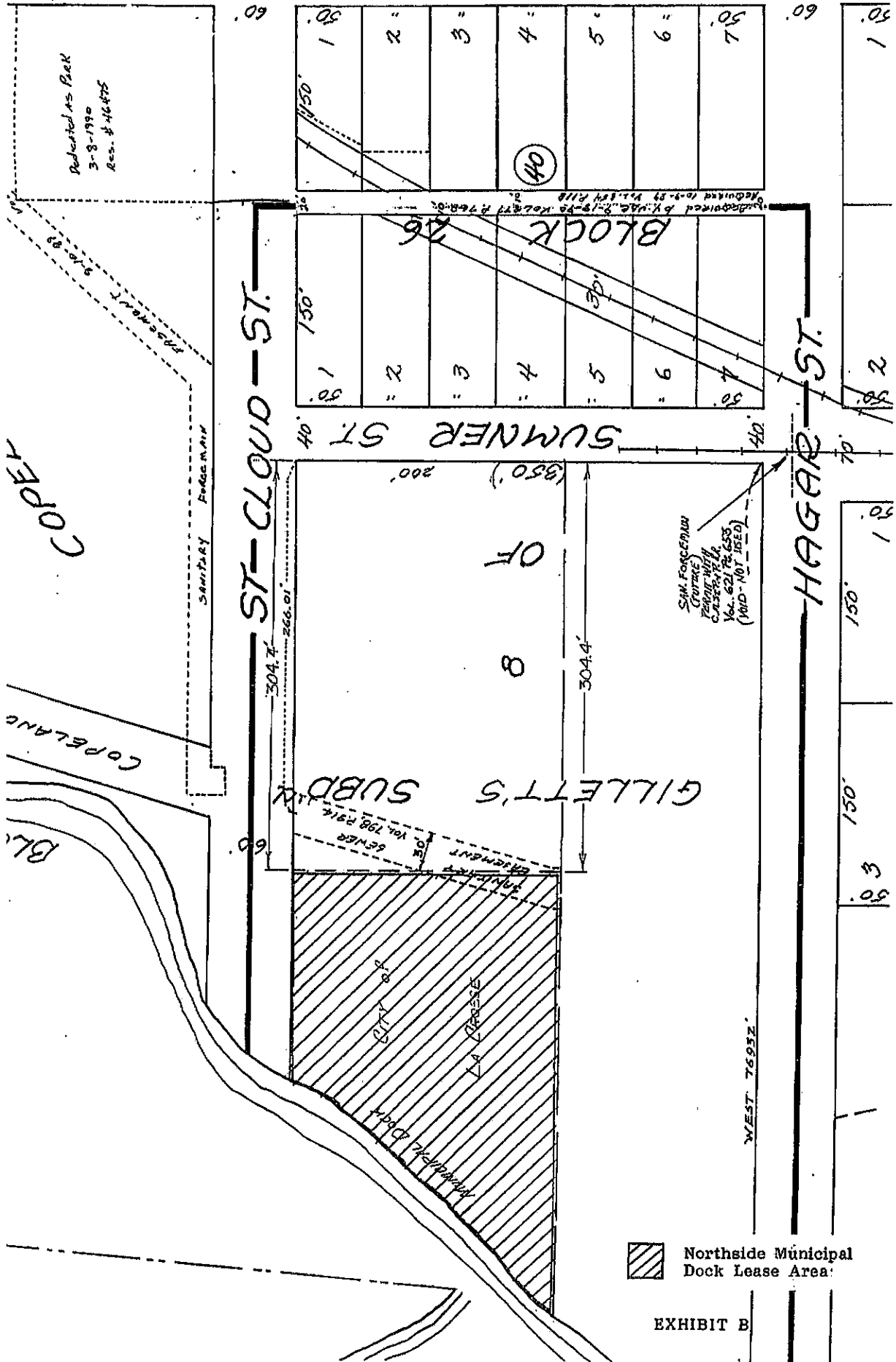
The Westerly Part of Lot 8 of Gillett's Subdivision of Block 26 of the Village of North La Crosse, now City of La Crosse, La Crosse County, Wisconsin, more fully described as follows:

Commencing at the Northeast corner of said Lot 8, also being the intersection of the West line of Sumner Street and the South line of St. Cloud Street; thence West, 304.4 feet, along said South line of St. Cloud Street to the Point of Beginning; thence continuing West, 188 feet, more or less, along said South line of St. Cloud Street to the Southeasterly shore of the Black River; thence Southwesterly, 273 feet, more or less, along said Southeasterly shore of the Black River to a point 200 feet South of said South line of St. Cloud Street; thence East, 373 feet, more or less, along a line parallel to and 200 feet South of said South line of St. Cloud Street to a point 304.4 feet West of said West line of Sumner Street; thence North, 200 feet, to said South line of St. Cloud Street and the Point of Beginning.

Government Lot 3 (SE-NE) Section 30, Township 16 North, Range 7 West, 4th P.M.

Subject to all easements of record.

EXHIBIT "A"



Northside Municipal Dock Lease Area:

EXHIBIT B

PERMIT

Permit No. 3-WC-88-3761

The City of La Crosse, c/o Bernard A. Mullenbach, City Hall, La Crosse, Wisconsin 54601, has been granted a permit according to Section 30.12, Wisconsin Statutes, to repair an existing barge loading/unloading dock and pile clusters in the Black River. The steel sheet pile dock is 112 feet long with 20-foot wing walls and is 50 feet wide. There was a 7-pile wood cluster 152 feet south of the centerline of the dock and a 13-pile cluster 152 feet north of the centerline of the dock. This facility was constructed in 1955. Three 6" by 18" by 105 feet long timber fenders and angle supports will be replaced on the dock face. The fenders protect the dock from barge contact when mooring. The south pile cluster will be replaced with new wood pilings driven into the riverbed and wrapped with steel cable. These repairs will allow for the continued operation of the dock. The project is located in the SE 1/4 NE 1/4 of Section 30, Town 16 North, Range 7 West, La Crosse County.

THIS PERMIT IS SUBJECT TO THE FOLLOWING CONDITIONS:

1. This permit expires on November 15, 1990, if the project is not completed before then. No construction may begin or continue after this date unless a new permit or permit extension is granted in writing by the Department.
2. You must complete this project according to the plans you submitted. If you wish to make changes in the project, you must submit your new plans to the Department. The Department then must approve the changes in writing before you start or continue your project.
3. You are responsible for obtaining any permit or approval required for your project by municipal, town or county zoning ordinances or by the U. S. Army Corps of Engineers before starting your project.
4. You must allow free and unlimited access to your project site at any time to any Department employee who is investigating the project's construction, operation or maintenance.
5. The review of the application and issuance of this permit is based on the current level and type of dock use. This level of use has been relatively low in recent years and consists primarily of large manufactured items and launching of boats. The Department may change or revoke this permit if the pattern of use increases, the project obstructs navigation or becomes detrimental to the public interest.
6. Your accepting this permit and beginning the project means that you have read, understand and agree to follow all conditions of this permit.
7. You must keep a copy of this permit at the project site at all times until the project has been completed.

EXHIBIT "C"

8. Applicant shall notify David M. Pericak, Water Management Specialist, Department of Natural Resources, State Office Building - Room 104, 3550 Mormon Coulee Road, La Crosse, Wisconsin 54601, not less than five days before work is started and again not more than five days after the work is completed.
9. The permittee shall provide an annual activity log for each year of dock operation to the Water Management Specialist, La Crosse Area Office, 3550 Mormon Coulee Road, La Crosse, Wisconsin 54601. These logs shall be submitted by January 1 following each navigation season and shall contain a listing of the number of barges loaded or unloaded at the facility; the type of commodity; and the dates of each event.
10. The permittee shall operate the dock facilities consistent with the following procedures:
 - A. Barges shall not be more than one wide at the dock except during periods, not to exceed six hours, when switching related activities are occurring;
 - B. There shall never be more than three barges at the dock at one time;
 - C. When barges are moored to the dock or to the pile clusters after the sun has set, the permittee shall provide lights on the outer corners of such barges to clearly mark them for persons navigating on the river. The lighting shall conform to Coast Guard regulation and be visible 360 degrees for a distance of 1 mile. Alternative on-shore lighting which adequately illuminates the corners of the barges also is acceptable.
- ✓ 11. There shall be no over-wintering of barges at the dock.
12. Any storage of commodities at this site shall be consistent with Chapter NR 116, Wisconsin Administrative Code, and local zoning requirements.
13. No coal or salt may be stored adjacent to the dock unless the applicant has submitted detailed engineering plans and specifications to the Wisconsin Department of Natural Resources, Wisconsin Department of Transportation and the City of La Crosse for review and appropriate action and approval under applicable city ordinances or State of Wisconsin rules and regulations. The storage areas shall be maintained in a manner to assure that any protective liner which is installed remains impermeable.
14. The applicant shall, prior to any storage of coal and salt storage, comply with Sections 144.391 and 144.392, Statutes, and Chapters NR 406 and 415, Wisconsin Administrative Code, regarding air emissions from the facility.

15. The permittee shall submit to the Department of Natural Resources an accident contingency plan to protect the public interest in the navigable waters of the state within 30 days of issuance of this permit.
16. Within 30 days of issuance of this permit, the permittee shall notify the Department of the name, current address, and day and night telephone numbers of the person directly responsible for supervising the dock who is to be notified in case of emergency.
17. The permittee shall respond to spills of hazardous substances as required by Chapter NR 158.

FINDINGS OF FACT. The following are facts which the Department considered in making its decision.

1. The project is as described in the permit and plans, and the project site has been investigated by Department staff.
2. The proposed project will not adversely affect water quality, will not increase water pollution in surface waters, and will not cause environmental pollution as defined in Section 144.01(3), Wisconsin Statutes, if the project is built in accordance with this permit.
3. The Department has determined that the grant or denial of this permit would not be a major state action significantly affecting the quality of the human environment.
4. The proposed project will not adversely impact wetlands as defined in Section NR 1.95(4)(c), Wisconsin Administrative Code.
5. The Department of Natural Resources and the applicant have completed all procedural requirements and the project as permitted will comply with all applicable requirements of Section 30.12(2), Statutes, and Chapter NR 116, Wisconsin Administrative Code.

CONCLUSIONS OF LAW. These are the legal reasons why the Department can issue your permit.

1. The Department has authority under the above indicated Statutes and administrative rules to issue a permit for the construction and maintenance of this project.
2. The proposed project is in conformance with Section NR 1.95, Wisconsin Administrative Code.
3. The Department has complied with Section 1.11, Statutes.

NOTICE OF APPEAL RIGHTS.

If you believe that you have a right to challenge this decision, you should know that Wisconsin statutes and administrative rules establish time periods within which requests to review Department decisions must be filed.

For judicial review of a decision pursuant to Sections 227.52 and 227.53, Statutes, you have 30 days after the decision is mailed, or otherwise served by the Department, to file your petition with the appropriate circuit court and serve the petition on the Department. Such a petition for judicial review shall name the Department of Natural Resources as the respondent.

To request a contested case hearing pursuant to Section 227.42, Statutes, you have 30 days after the decision is mailed, or otherwise served by the Department, to serve a petition for hearing on the Secretary of the Department of Natural Resources. The filing of a request for a contested case hearing is not a prerequisite for judicial review and does not extend the 30-day period for filing a petition for judicial review.

This notice is provided pursuant to Section 227.48(2), Statutes.

This decision was mailed on January 4, 1989.

Dated at La Crosse, Wisconsin, January 4, 1989.

STATE OF WISCONSIN DEPARTMENT OF NATURAL RESOURCES
For the Secretary

By David M. Pericak
David M. Pericak
Water Management Specialist

DMP:cs

NORTHSIDE MUNICIPAL DOCK PERMIT

I hereby make application to the Board of Harbor Commissioners for docking privileges at the Northside Municipal Dock of the City of La Crosse located at the west end of St. Cloud Street, adjacent to the east bank of the Black River at approximate River Mile 1.4, for the period _____ through _____ (not to exceed two (2) weeks). NOTE: Permittee must make arrangements with Lessee prior to utilization of the dock.

Lessee: Richard Hanke, President
Hanke Terminals, Inc.
P. O. Box 56
Slinger, WI 53086-0056
Telephone: (414) 644-9080

1. Name of Owner (Permittee) _____
Address _____
City, State, Zip _____
Telephone: _____ Fax: _____
2. Type of vessel, barge or boat _____
Barge No. _____
3. Name of vessel, tug, or boat _____
4. Coast Guard No. _____ (Where required)
Wisconsin State No. _____ (Where required)
5. Commodity or material being loaded or unloaded _____

Permittee hereby agrees, in consideration of the issuance of this permit, to abide by the provisions set forth in the Northside Municipal Dock Lease, Section 12. Assignment and Subletting: Use by Others, attached hereto and made a part hereof, and any other rules and regulations of the Board of Harbor Commissioners of the City of La Crosse, and also to abide by all applicable federal, state and local laws and ordinances.

Rates: \$ _____ \$25.00 per day per barge, vessel or boat
\$ _____ \$0.25 per ton
\$ _____ additional charges (equipment storage-\$5.00 per day)
\$ _____ TOTAL

Payment: Check # _____ Cash _____

Owner or User

Owner or User

PUBLIC WORKS DEPARTMENT

Date _____

By: _____

EXHIBIT "D"

