BROWN COUNTY PORT DEVELOPMENT PROJECT SUMMARY OF EVENTS

This Summary of Events is to set the record straight regarding allegations made by C. Reiss CEO Keith Haselhoff, and to provide an overview of the negotiations to date.

The County **applied** for a Neighborhood Investment Grant (the **County's Grant <u>Application</u>**) from the State, was **awarded** \$15 million, and then **accepted** the grant award by entering into a controlling **contract** with the State of Wisconsin with a specific **Scope of Work** (the **County's Grant <u>Contract</u>**).

Both the County's Grant <u>Application</u> to the State, and the controlling County's Grant <u>Contract</u> with the State, demonstrate that two phases were necessary, including **Phase I** (where the County gets a site ready in the mouth of the Fox River area for the future storage of coal piles), and **Phase II** (where the City of Green Bay negotiates and funds the move of C. Reiss to said site).

The County immediately got to work, using over \$2 million of awarded Neighborhood Investment Grant funds for engineering and design purposes. As time passed, however, it became clear that the City was not making progress in its **Phase II** negotiations with C. Reiss. County administration then picked up the mantle and entered into direct negotiations with C. Reiss in a good faith effort to reach an agreement.

Negotiations **subject to County Board approval** between County administration and C. Reiss ensued, which culminated in County administration bringing forth terms and conditions to the County Board that C. Reiss was willing to agree to. *In general*, the C. Reiss 12-18-2024 Offer brought forth was:

17.5 Acres for 75 years for \$110,000 per year.

The County Board then issued a Counteroffer on 12-18-2024, which *in general* was for:

17.5 Acres for **40 years** for **110,000 per year**.

The State stepped in and indicated that the County should not spend any further Neighborhood Investment Grant funds until a relocation agreement acceptable to C. Reiss was reached, effectively preventing the County from carrying out its Phase I obligations, and effectively empowering C. Reiss to demand whatever terms and conditions it desired, as demonstrated by C. Reiss' next move.

C. Reiss, emboldened by the State's directive, formally rejected the County's Counteroffer, and made the following demand on 03-07-2025, which many County Board members viewed as not being made in good faith, as it was far worse than C. Reiss' original 12-18-2024 offer made just three months earlier. Said offer included this statement from C. Reiss, ". . . our Counteroffer shall expire on March 19, 2025, unless the County Board. . . agrees that its shall discuss Pulliam with C. Reiss only until July 1st. . ." In general, the newest C. Reiss offer, which was obviously rejected by the County Board, was for:

37.5 Acres (the Entire Site) for 100 Years for \$110,000 per year.

The County Board rejected that hostile offer, and instructed County Administration, "To proceed with the Port Expansion Project RFI process, by continuing to negotiate with entities that responded to the RFI, including C. Reiss. In addition, the County is willing to entertain a proposal from the City of Green Bay regarding relocating the coal at an alternate site." The alternate site option referred to by the County Board above (a/k/a Alternate Site 1) resulted from a meeting requested by the Mayor, where the County Executive, the County Board Chair and the Mayor met in good faith to discuss options to move forward, and where the Mayor brought forth the Alternate Site 1 option that the City and C. Reiss had been discussing.

In accordance with the above County Board directive, the County indicated to C. Reiss that it would continue to negotiate sites at the former Pulliam Power Plant with C. Reiss through the County's ongoing RFI process that C. Reiss had already availed itself of, which keeps the RFI process fair for all entities and operators that desire to negotiate in good faith to partner with the County in a manner that benefits the Northeastern Wisconsin area through entity investments, job creation and new product availability. C. Reiss made no efforts regarding the RFI process other than to submit its hostile 'Entire Site' offer, and to threaten County Board Members at its RFI meeting that if C. Reiss' demands are not met, C. Reiss will do everything within its power to see that the County does not get a cent of the remaining \$13 million the County was awarded in Neighborhood Investment Grant funds, and does not get any other state or federal Port-related grant funding.

The County also indicated it was willing to engage in **non-binding mediation** regarding **Alternate Site 1**, which the City and C. Reiss had been discussing, and regarding any **other Alternate Site proposals** that the City or C. Reiss may have.

The County has since proposed **Alternate Site 2** (a/k/a Brown County **Parcel No. 6-32-A-1**) as another option, a **Turn-Key** site that is across the street from the former Pulliam Plant site, and also across the street from another Robindale site that currently houses coal piles. **Alternate Site 2** also **adjoins** a parcel currently owned by Robindale, the parent company of C. Reiss.

The County's Grant Application stated, in part, as follows (emphasis added):

"Brown County and city of Green Bay are working on a project to relocate coal piles in downtown Green Bay to facilities at the mouth of the Fox River. Brown County's Phase 1 project will redevelop facilities at the old Pulliam Power Plant Site in an industrial area of Green Bay. . . The coal has dominated downtown since the 1880s and is a major blight."

"Brown County (Port) and the City of Green Bay plan to redevelop Port facilities at the mouth of the Fox River in order to relocate coal piles from downtown Green Bay. This **2-Phase project** includes **County redevelopment of the former Pulliam Power Plant site** into a state-of-the-art Port facility (**Phase 1**), and the **relocation of coal piles and redevelopment of the downtown coal storage site** by the **City** (**Phase 2**). . . The site will be designed for unloading and storage of bulk commodities such as coal, salt and stone with a **long-term goal of developing a container facility**."

The County's Grant Contract stated in its Scope of Work, in part, as follows (emphasis added):

"Due to the size of the project and the **need to develop the Port site <u>first</u>**, the Port Development Project has been separated into two phases: I) Development of the approximately 44-acre site into a modern Port facility (**Brown County project**), and 2) Relocation of the C. Reis Company (**City of Green Bay project**). The approximate cost of the County's Phase I activities is just over \$30 million. **Phase II** activities and costs. . . will be refined **based on the success of the City's ongoing negotiations with the C. Reiss Company.** . . The Port of Green Bay Development project includes the clearing and redevelopment of the former power plant site in order to provide an appropriate location for coal storage **or other new Port operations**. As noted in the grant application, the Brown County portion (**Phase I**) of this **multi-phased project** involves engineering design **and construction** activities required to make the site a modern port facility. . . Upon **completion of Phase I** activities, **and under separate funding**, the **city of Green Bay will undertake Phase II** of the project which will be based on the success of the **city's ongoing negotiations with the C. Reiss Company.** . ."

The Haselhoff Allegations (made via Haselhoff's Robindale email account on 05-02-2025), are as follows:

1. "Nowhere in the state grant application are alternate sites considered."

Response: The Grant Application stated the project will involve relocating coal piles, "... to facilities at the mouth of the Fox River." In addition to the primary objective of developing the Port, a companion objective was to relocate coal piles north of I-43, and the Turn-Key Alternate Site 2, as proposed by the County, would accomplish that. Alternate Site 2 is across the street from the former Pulliam Plant Site, connects to property owned by C. Reiss' parent company (Robindale) and is currently on a short-term lease with the County. As stated in the grant application, the County "... intends to upgrade site infrastructure and redevelop it for active Port operations allowing for the relocation of coal piles from downtown Green Bay."

Here, developing a portion of the former Pulliam Plant site for the **current Alternate Site 2** entity to occupy, and then providing the **Alternate Site 2** to C. Reiss to store coal on, meets said Grant requirements by **allowing for** the relocation of coal piles near the mouth of the Fox River. Also, the fact that **the City and C. Reiss have been discussing Alternate Site 1** as a **potential solution** demonstrates that C. Reiss is **well aware** that Alternate Sites **are** consistent with grant requirements.

2. "Nowhere in the state grant application is it stated the City and C. Reiss must negotiate the actual coal pile location."

Response: The Grant Application states, "This 2-Phase project includes County redevelopment of the former Pulliam Power Plant site into a state-of-the-art Port facility (Phase 1), and the relocation of coal piles and redevelopment of the downtown coal storage site by the City (Phase 2). . . The site will be designed for unloading and storage of bulk commodities such as coal, salt and stone with a long-term goal of a developing a container facility." That language also clearly indicates that C. Reiss obtaining the entire site was never an option. The controlling Grant Contract states, "Upon completion of Phase I activities, and under separate funding, the city of Green Bay will undertake Phase II of the project which will be based on the success of the city's ongoing negotiations with the C. Reiss Company. . ."

"Today, the County Board can and should provide Mr. Hemery the authority to negotiate Pulliam. If they do not, we agree with Secretary Blumenfeld that the \$15 million grant ought to be rescinded, since it would not go to its intended purpose."

Response: Here, C. Reiss asks the State to take grant funding that was awarded to and accepted by the County out of our community, and to instead send it out of our state to the Federal Government. C. Reiss incorrectly alleges that the County Board has not given authority to County administration to negotiate the former Pulliam Plant site with C. Reiss. The County Board has given authority to negotiate the former Pulliam Plant site with C. Reiss through its ongoing RFI process, which C. Reiss initially availed itself of. Relocating coal to Alternate Site 1, as the City and C. Reiss have discussed, or to the Turn-Key Alternate Site 2, as the County has offered, are both options consistent with the intended purpose of the grant.

"Finally, if C. Reiss is being difficult or unreasonable in these negotiations, the mediator will tell us - that is the point of mediation."

Response: The point of mediation is to have parties negotiate in good faith to reach a fair resolution via the assistance of a mediator. History is a solid predictor of the future, and whether parties are willing to negotiate in good faith (a prerequisite to spending the significant time and effort required to prepare for and engage in mediation) may be determined by considering whether prior offers have been made in good faith.

Most recently, our County Board Chair and several other County Board Supervisors sought a meeting with the State to discuss options to resolve this matter, and it is unfortunate that their request was denied. They feel the County is in this untenable situation because of the requirement from the State that the County agree to C. Reiss' demands, or risk having all remaining port related Neighborhood Investment Grant funds being sent back to the Federal Government.

Said County Board Supervisors and County administration now ask that the State and the City support the County's efforts at reaching a resolution, by the State allowing, and the City advocating for, the County to resume expending remaining Neighborhood Investment Grant funds to complete Phase I by getting a site near the mouth of the Fox River ready for coal pile storage. That would send a message to C. Reiss that it will need to set aside its demands, and instead compromise by engaging in good faith and reasonable negotiations regarding Alternate Sites (via mediation), and regarding the former Pulliam Plant Site (via the RFI process).

This Summary of Events was prepared on 05-09-2025 by the Brown County Corporation Counsel at the request of, and with the direction of, the County Board Chair and several other County Board Members.

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