

DNR Northern Region
Attn: RR Program Assistant
Department of Natural Resources
107 Sutliff Avenue
Rhineland, WI 54501

Arcadis of New York, Inc.
One Lincoln Center
110 West Fayette Street
Suite 300
Syracuse
New York 13202
Tel 315 446 9120
Fax 315 449 0017
www.arcadis.com

Subject:
Howard's Bay Sediments – Superior, WI
BRRTS Nos. 02-16-120591 and 02-16-563449
VPLE Application

ENVIRONMENT

Date:
December 21, 2018

To Whom It May Concern:

On behalf of Fraser Shipyards, Inc., enclosed please find a Voluntary Party Liability Exemption (VPLE) Application Form (4400-178), associated attachments, and \$250 application fee, for the Howard's Bay Sediments Site in Superior, WI.

Contact:
David Knutsen

Phone:
315-671-9374

Please contact me, or Mr. Sean Smith of Fraser, with any questions or comments.

Email:
david.knutsen@arcadis.com

Sincerely,

Our ref:
CI001796.0008.00001

Arcadis of New York, Inc.



David Knutsen
Sr. Project Manager

Copies:
Joe Graham, WDNR
Sean Smith, Fraser Shipyards
Roy Christensen, Johnson, Killen & Seiler
Mike Erickson, Arcadis
Lisa Tomlinson, Arcadis

Notice: Pursuant to s. 292.15, Wis. Stats., and s. NR 750.05, Wis. Adm. Code, this form is required by the Department of Natural Resources (DNR) to be submitted when requesting approval to participate in the voluntary party liability exemption (VPLE). Failure to complete this application in its entirety may delay its review and/or may result in denial. Participation in this program is voluntary. If completing this form, refer to the instructions beginning on page 4. Personal information collected will be used for administrative purposes and may be provided to requesters to the extent required by Wisconsin's Open Records Law (ss. 19.31-19.39, Wis. Stats.).

Section 1: Property Information

BRRTS No. (if known)
 02-16-120591, 02-16-563449

Tax Parcel #
 See attached list

FID No. (if known) 816047210		Property Name Howard's Bay Sediments			
Address 1 Clough Avenue (3rd St & Clough)			City Superior		State WI
County Douglas		Municipality Name <input checked="" type="radio"/> City <input type="radio"/> Town <input type="radio"/> Village Superior	Property is composed of: <input type="radio"/> Single Tax Parcel <input checked="" type="radio"/> Multiple Tax Parcels		ZIP Code 54880
					Property Size 65 Acres

Section 2: Applicant Information (Voluntary Party)

Organization / Firm / Person Fraser Shipyards Inc.			Title Project and Process Technical Specialist		
Last Name Smith		First Sean	MI	Phone Number (include area code) (715) 394-4211	
Address 100 Ogden Avenue				Fax Number (include area code)	
City Superior		State WI	ZIP Code 54880	Email ssmith@noengwks.com	

Section 3: Ownership Information

Applicant Relationship to Property (select one):

- Current Owner Potential/Future Purchaser Previous Owner Other: Fraser is owner of a portion of the Property

Section 4: Regulatory Identification (include ID numbers if known)

DNR FID	816047210	USEPA ID	WID988639597
Environmental Repair (ERP)	Hazardous Substance Spill		
Leaking Ungd. Storage Tank (LUST)	Brownfield Env'l. Asmt. Pilot		
Solid Waste	Municipal Negotiation & Cost Recovery		
Hazardous Waste	Superfund Remedial (NPL)		
Wastewater-surface water (WPDES)	Abandoned Containers		
Wastewater-groundwater (WPDES)	Superfund Site Evaluation (CERCLA)		
DCOM PECFA Claim Number	Municipal Grants Program		
DATCP Agricultural Contamination	Contaminated Sediments		

Other:

Leave Blank - DNR Use Only			
Date Received	<input type="checkbox"/> Application Fee Received	<input type="checkbox"/> Deposit Received	<input type="checkbox"/> Approval to Proceed PMN _____
BRRTS Activity Number	BRRTS Activity Name		<input type="checkbox"/> Denied (explain) (603)
FID	Region		<input type="checkbox"/> Withdrawn (explain) (610)
Comments		Reviewed By	Date
		Project Manager	

Voluntary Party Liability Exemption Application

Form 4400-178 (R 11/14)

Page 2 of 5

Section 5 Environmental Consultant Representing Applicant

Organization / Firm / Person Arcadis of Michigan LLC			Title Environmental Consultant	
Last Name Erickson	First Michael	MI MI	Phone Number (include area code) (810) 225-1924	
Address 28550 Cabot Dr #500			Fax Number (include area code)	
City Novi	State MI	ZIP Code 48377	Email Michael.Erickson@arcadis.com	

Section 6: Attorney Representing Applicant (if applicable)

Organization / Firm / Person Johnson, Killen & Seiler, P.A.			Title	
Last Name Christensen	First Roy	MI J	Phone Number (include area code) (218) 722-6331	
Address 800 Wells Fargo Center, 230 West Superior Street			Fax Number (include area code)	
City Duluth	State MN	ZIP Code 55802	Email rchristensen@duluthlaw.com	

Section 7: Past Land Uses and Known or Suspected Contamination Sources (check all that apply)

<input type="checkbox"/> Service station	<input type="checkbox"/> Coal gas manufacturer	<input type="checkbox"/> Contaminated building
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Electroplater	<input type="checkbox"/> Industrial accident
<input type="checkbox"/> Agricultural co-op	<input type="checkbox"/> Landfill	<input type="checkbox"/> Lagoons
<input type="checkbox"/> Dry Cleaner	<input type="checkbox"/> Foundry sand	<input type="checkbox"/> Fly ash
<input type="checkbox"/> Salvage yard	<input type="checkbox"/> Underground pipeline or tank	<input type="checkbox"/> Unknown
<input type="checkbox"/> Bulk plant	<input type="checkbox"/> Surface spills	<input type="checkbox"/> Other
<input type="checkbox"/> Pipeline	<input type="checkbox"/> Above ground pipeline or tank	
<input type="checkbox"/> Tannery	<input checked="" type="checkbox"/> Routine industrial operations	

Section 8: Solid Waste

Does the property contain a solid waste site or facility as defined in s. 289.01(35), Wis. Stats.?

Yes No Name: _____ License number: _____

If 'Yes', does the site currently have an active or passive system in place for leachate, groundwater or gas treatment, collection or monitoring?

Yes No Describe system: _____

Section 9: Site Eligibility *If any boxes are checked "Yes", the site is not eligible for VPLE, see instructions for more information.*

Does the property contain a solid waste facility or site that meets definition of an approved facility under 289.01(3), Wis. Stats.? Yes No

Does the property contain a hazardous waste treatment, storage or disposal facility that first began operation after the voluntary party acquired the property? Yes No

Does the property contain a licensed hazardous waste treatment, storage or disposal facility operated on the property before the date on which the voluntary party acquired the property, and that is operated after the date on which the voluntary party acquired the property? Yes No

Does the property contain a hazardous waste disposal facility that has been issued a license under s. 144.441 (2), 1995 Wis. Stats., or s. 289.41 (1m), Wis. Stats., or rules promulgated under those sections, for a period of long-term care following closure of the facility? Yes No

Section 10: Regulatory Criteria

Has contamination been detected at the property? Yes No

If yes, has it been reported to the state? Yes No

Agent notified: WDNR (Current Contact: Joseph Graham)

Date 04/23/1993

Does it include petroleum from a leaking underground storage tank (LUST)? Yes No

Are you using the Petroleum Environmental Cleanup Fund (PECFA) to pay for any portion of the remedial actions? Yes No Undecided

Is there a state or federal enforcement order currently in effect at this property? Yes No

Section 11: Attachments and Certification

All listed attachments are required for an application to be complete:

- a list of past environmental work
- a non-refundable check for \$250 application fee made payable to the Wisconsin DNR
- a clear map showing location of property
- a detailed map that clearly indicates the property boundaries
- a copy of the property deed

I certify that I have read and am familiar with the information on this application and that the information is true, accurate and complete to the best of my knowledge.

I hereby request assistance from DNR in reviewing the environmental response actions that have been or will be taken to obtain protection of limited liability, as provided in s. 292.15, Wis. Stats.

I recognize that to obtain this limited liability exemption that the environmental response actions taken will need to comply with the applicable provisions of ch. NR 700, Wis. Adm. Code, and will require a Phase I and II environmental assessment to be conducted for the property. I recognize that I will be responsible for paying fees to DNR for assistance provided to me as provided under ch. NR 750, Wis. Adm. Code.

Applicant Name (Type or Print)

Sean Smith

Title

Project and Process Technical Specialist

Organization / Firm / Person

Fraser Shipyards Inc.

Signature

Sean R. Smith

Date Signed

12/18/18

General Voluntary Party Liability Exemption Application Instructions

Use this application to apply for the Voluntary Party Liability Exemption (VPLE) under s. 292.15, Wis. Stats. In order to receive this liability exemption, applicants must conduct an environmental investigation of the entire property and any hazardous substances on the property must be cleaned up. Environmental work performed under the program is subject to department review and approval. Applicants will be responsible for paying fees to cover the cost of department review. The liability exemption is effective upon completion of the cleanup, if the voluntary party complies with all of the statutory requirements of ss. 292.15 and 292.11, Stats.

Type or clearly print your answers to all questions. Line-by-line instructions are provided on the next page. Submit the completed application and a \$250 application fee payable to the Department of Natural Resources. Submit a separate application and fee for each property being considered for an exemption. A property is defined as a contiguous area of land the entire legal description of which is found in one deed. If you are planning on investigating and remediating adjacent properties, you must submit one application and a \$250 fee for each legally defined piece of property. You may, however, submit technical reports for more than one property together, if the properties are part of the same project. If more than one party wants to apply for VPLE for the same property, submit one application form and fee for each party. If you are planning on changing the property boundaries, contact the Department to discuss how to submit applications for your project.

The publication, "Voluntary Party Remediation and Exemption from Liability" (RR-506) describes the VPLE process and associated fees. Please mail this completed application form with the \$250 application fee and supporting materials to the appropriate local DNR regional office (see map).

Contact a DNR Regional Brownfield Specialist with any questions about this form or a specific situation involving a contaminated property.

DNR NORTHERN REGION
 Attn: RR Program Assistant
 Department of Natural Resources
 107 Sutliff Avenue
 Rhinelander WI 54501

DNR NORTHEAST REGION
 Attn: RR Program Assistant
 Department of Natural Resources
 2984 Shawano Avenue
 Green Bay WI 54313

DNR SOUTH CENTRAL REGION
 Attn: RR Program Assistant
 Department of Natural Resources
 3911 Fish Hatchery Road
 Fitchburg WI 53711

DNR SOUTHEAST REGION
 Attn: RR Program Assistant
 Department of Natural Resources
 2300 North Martin Luther King Drive
 Milwaukee WI 53212

DNR WEST CENTRAL REGION
 Attn: RR Program Assistant
 Department of Natural Resources
 1300 W Clairemont Avenue
 Eau Claire WI 54702

**The State of Wisconsin
 Department of Natural Resources**



Note: These are the Remediation and Redevelopment Program's designated regions. Other DNR program regional boundaries may be different.

VPLE Application Section-by-Section Instructions

Section 1: Property Information - Complete the information regarding the property for which you are seeking a liability exemption. The public land survey location (quarter quarter section location) coordinates of the property must be provided. Please submit a separate application for each property. A property is usually a single parcel of land with the entire legal description found on one deed.

Section 2: Applicant Information- Voluntary Party - Provide contact information about the applicant. The applicant is the person or organization seeking Department review and approval of the response actions that will be taken to receive the liability exemption. Once the application has been processed by the DNR, the applicant will be considered the Voluntary Party for this property. The Voluntary Party is responsible for payment of any fees to the DNR. Unless the DNR is notified to the contrary, all bills and correspondence as part of the VPLE process will be sent to the Voluntary Party. If more than one party is applying for the VPLE for the same property, each party must submit a separate application form and \$250 fee.

Section 7: Past Land Uses & Known or Suspected Contamination Sources - Indicate any activities or operations that took place on the property in the past, and any known or suspected sources of contamination at the property if known (check as many as apply). Include uses/sources not listed in the space provided.

Section 8: Solid Waste - Indicate whether or not there is a solid waste facility on the property such as a landfill or historic fill site. Sites with solid waste facilities may be eligible for VPLE as long as the site does not meet one of the factors listed in Section 10. In addition, some sites with solid waste facilities may not be eligible to complete the VPLE process due to technical issues associated with the environmental clean up at the site. Waste sites must be able to obtain a ch. NR 726, Wis. Adm. Code, site closure in order to receive the VPLE protections. It must do so without the reliance on any active remedial system to ensure compliance with environmental and public health standards, such as active treatment or collection systems relating to groundwater, leachate or gas. Indicate whether such a system is in place now, the existence of such a system will not exclude a site from beginning the VPLE process and such a site could obtain VPLE if the voluntary party can demonstrate that such a system is no longer necessary.

Section 9: Site Eligibility

While most contaminated properties can go through the VPLE process, properties with the following types of waste sites or facilities are **NOT** eligible for the VPLE:

- a solid waste facility or site that is an approved facility as defined in s. 289.01(3), Wis. Stats.;
- a hazardous waste treatment, storage or disposal facility that first began operation after the voluntary party acquired the property;
- a licensed hazardous waste treatment, storage or disposal facility operated on the property before the date on which the voluntary party acquired the property and that is operated after the date on which the voluntary party acquired the property; and
- any hazardous waste disposal facility that has been issued a license under s. 144.441 (2), 1995 Wis. Stats., or s. 289.41 (1m), Wis. Stats., or rules promulgated under those sections, for a period of long-term care following closure of the facility.

Check the lists and database on the following webpages to see if the property includes one of these ineligible solid or hazardous waste sites."

VPLE Webpage:

<http://dnr.wi.gov/topic/brownfields/vple.html>

Solid and Hazardous Waste Information System (SHWIMS)

<http://dnr.wi.gov/sotw/Welcome.do>

Section 10: Regulatory Criteria - If contamination is present or was present in the past, indicate whether it was reported to the state. Indicate which agency (e.g. DNR, emergency government) the contamination was reported to and when the report was made to that agency. Indicate if an enforcement order is currently in effect for the property or if one has been issued in the past, as well as the issuing agency (e.g. DNR, DATCP, DSPS) and the date of the order. Note that an order is a formal legal document that is distinct from a simple letter notifying a party of its legal responsibility to clean up a property.

Section 11: Attachments and Certification - All listed attachments are required for an application to be complete. Attach: 1) a list of all technical reports documenting past environmental work at the property including the date and title of the report and the consultant who prepared it; 2) the application fee in the form of a check or money order payable to the Department of Natural Resources for \$250; 3) a copy of a clearly identified public survey map for the property (e.g. the property shown on a portion of the relevant USGS topographic map; plat maps may be used for rural properties); 4) a detailed map that clearly indicates the property boundary of the property for which you are seeking the liability exemption (e.g. a certified survey map, subdivision plat map, or other type of map); and 5) a copy of the deed that includes a legal property description for the property for which you are seeking the liability exemption. The applicant/ Voluntary Party should read and sign the certification. If an agent signs, submit a description and evidence of the legal relationship between the agent and the applicant.

1

2

3

ATTACHMENTS

1

2

3



ATTACHMENT 1

Supplemental Information for Voluntary Party Liability
Exemption Application (Form 4400-178).



**Supplemental Information for Voluntary Party Liability Exemption Application (Form 4400-178)
Fraser Shipyards Inc.
BRRTS Nos. 02-16-120591 and 02-16-562449**

Section 1: Property Information

The following is a list of Douglas County Tax Parcel Numbers (and corresponding property owners) for all parcels that fall within the Howard's Bay Sediments Project boundary:

Property Owner	Parcel Number(s)
FSY R/E Group LLC	03-803-00928-00 03-803-01014-00 03-803-01018-00 03-803-01093-00* 03-803-01113-00* 03-803-01468-00 03-803-01483-00* 03-803-02125-00* 03-803-02126-00* 03-803-02126-01* 03-803-02127-00
City of Superior	03-803-01482-00* 04-804-00953-00
Redevelopment Authority of the City of Superior	03-803-01013-00* 03-803-01022-00 03-803-01060-00 03-803-01231-00
State of Wisconsin	03-803-01073-01* 03-803-01145-00* 04-804-00954-00* 04-804-00965-00*
Harvest States Cooperatives	04-804-00956-00* 04-804-00961-00* 04-804-00964-00*
Duluth/Superior Concrete Services LLC	04-804-00959-00*
Black River Mills Inc	04-804-00958-00*

* = Only a very small portion of parcel located within Howard's Bay Sediments Project Boundary (see Figure 2)

Section 11: Attachments and Certification

The following is a list of past environmental work for the Howard's Bay Sediments Project:

- 1) Arcadis. 2014. *Howard's Bay Sediment Data Summary Report, Superior, WI*. Prepared for the Great Lakes Legacy Act (GLLA) Howard's Bay Focused Feasibility Study and Remedial Design Project on behalf of the Howard's Bay Project Partners. August.
- 2) Arcadis. 2015. *Focused Feasibility Study for Sediment Cleanup in Howard's Bay*. July.
- 3) Breneman, D., C. Richards, and S. Lozano. 2000. *Environmental influences on benthic community structure in a Great Lakes embayment*. *Journal of Great Lakes Research* 26:287-304.
- 4) Howard's Bay Project Partners. 2014. *Scope of Work for the "Focused Feasibility Study and Remedial Design for Remediation of Howards Bay"*. Great Lakes Legacy Act Project, Superior, Wisconsin, St Louis River Area of Concern. January.
- 5) MPCA. 1997. *Results of the 1996 St. Louis River Area of Concern Regional Environmental Monitoring and Assessment Program. Ten-day toxicity test reports with Hyalella azteca and Chironomus tentans*. Monitoring and Assessment Section, Minnesota Pollution Control Agency, St. Paul, MN.
- 6) PBS. 1997. *Working Waterfront: A Harbor Portrait*. PBS Copyright 1997, 72 minutes.
- 7) U.S. Army Corps of Engineers. 2014. *Howard's Bay, Superior, Wisconsin. Sediment Analysis Report*. April.
- 8) USEPA. 1997a. *Survey of Sediment Quality in the Duluth/Superior Harbor: 1993 Sample Results*. EPA 905-R97-005. March.
- 9) USEPA. 1997b. *Sediment Assessment of Hotspot Areas in the Duluth/Superior Harbor*. EPA 905-R97-020. December.
- 10) USEPA. 2008. *Wisconsin Sampling – Preliminary Data Assessment - Draft*.
- 11) WDNR. 2003a. *Site inspection (SI), Fraser Shipyards/Howard's Pocket AOC 14, a.k.a. Howard's Pocket, Superior, Douglas County, U.S. EPA ID: WID988639597*. Bureau of Remediation and Redevelopment, Wisconsin Department of Natural Resources, Madison, WI.
- 12) WDNR. 2014a. *Field Report for September 9 – 13, 2013 Sediment Sampling in Howards Bay, St Louis River Area of Concern, Superior, Wisconsin*. March.
- 13) WDNR. 2014b. *Tributyltin and Mercury Contamination, Hughitt Slip, Superior, WI*. Letter from WDNR to Richard Carlson, CHS – Superior Grain Elevators terminal Manager. August 15. Weston. 2011. *Sediment Assessment Report Howard's Bay – St. Louis River AOC, Superior, Douglas County, Wisconsin*. October.
- 14) WDNR. 2014c. *Report on August 18, 2014 Sediment Sampling in Howards Bay, St Louis River Area of Concern, Superior, Wisconsin*. September.
- 15) WDNR. 2015a. *Core logs, laboratory reports, and supporting figures summarizing the results of supplemental sediment sampling in Howard's Bay*. Provided by WDNR.
- 16) WDNR. 2015b. *Evaluation of Sources, Contaminants in Sediment of Howards Bay, City of Superior, Wisconsin*. October.
- 17) WDNR. 2017. *2017 Howards Bay Sediment Sampling Field Sampling Plan/Quality Assurance Project Plan Amendment*.
- 18) Weston. 2011. *Sediment Assessment Report Howard's Bay – St. Louis River AOC, Superior, Douglas County, Wisconsin*. October.
- 19) Weston. 2012. *Sediment Assessment Report Howard's Bay – St. Louis River AOC, Superior, Douglas County, Wisconsin Revision 1*. July.

Additional sediment data has been collected by the United States Army Corps of Engineers (USACE) for pre-design purposes as part of the current remedial design project. This data is expected to be reported in the final remedial design documents.

Supplemental Information for Voluntary Party Liability Exemption Application (Form 4400-178)
Fraser Shipyards Inc.
BRRTS Nos. 02-16-120591 and 02-16-562449

The following is a list of future environmental work planned for the Howard's Bay Sediments Project:

The Howards Bay sediment project is currently in the final remedial design stage under the Great Lakes Legacy Act (GLLA) program. In parallel to completing the design, a GLLA application for remedial construction funding was submitted and received by USEPA Great Lakes National Program Office (GLNPO) in September 2016. That application, once accepted for award by GLNPO, is the means for USEPA to provide the federal share of the project and authorizes USEPA GLNPO to enter project agreement negotiations with the non-federal sponsors (Wisconsin Department of Natural Resources, the City of Superior and Fraser Shipyards), and then to bid the project.

A set of construction drawings and bid specifications will be available once the design activities are concluded, to allow a construction contract request for bids. Key items from the design are pertinent to this application – specifically in regard to the post-dredge sampling plan and decision tree for closure of dredge management units that will provide data on materials that remain in place along shoreline setback areas or within dredge areas after completion of construction activities, and controls related to these materials. These aspects of the project have been summarized below.

Confirmation samples will be collected from within each dredge management unit (DMU); analytical results will then be compared to the identified clean up goal (CUG) for each contaminant of concern (COC). If all samples are below the identified CUG for each COC, then no further action is required within the DMU. However, if CUGs are exceeded, then further evaluation will be conducted to determine appropriate re-dredge depths within the DMU, followed by placement of a sand cover for residuals management. Re-dredging is not be specified for the following scenarios, but a sand cover will also be placed in these areas for residuals management:

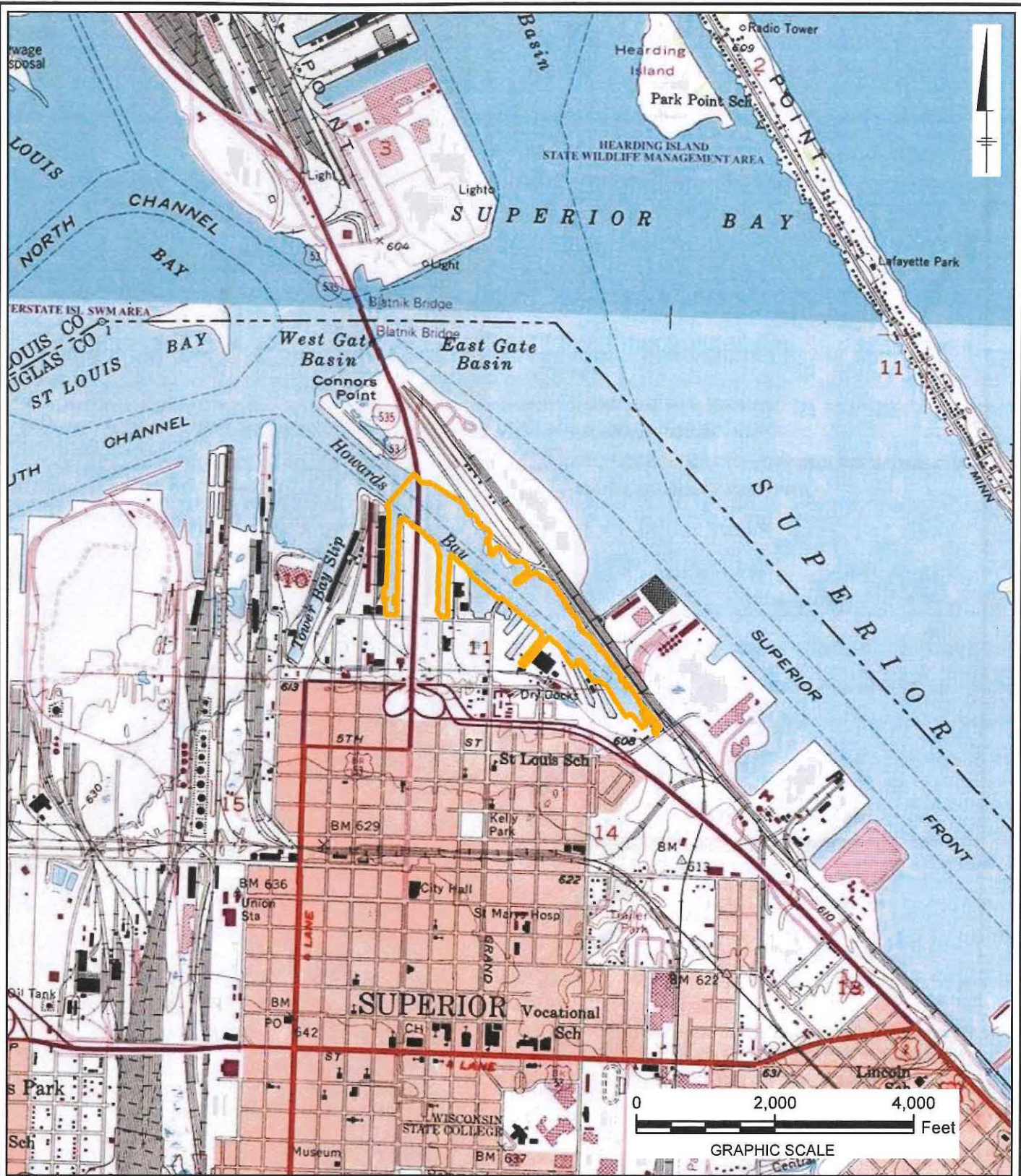
- Where COC concentrations in the top six inches of the confirmation core sample do not exceed three times the CUG;
- Where the segment exceeding the CUG is not within the top six inches of the confirmation core sample, and COC concentrations in the remaining contaminated segment are less than or equal to two times the CUG;
- Where the segment exceeding the CUG is located below at least 18 inches of clean material remaining in place.



ATTACHMENT 2

Figures





LEGEND:

- PROJECT BOUNDARY – HOWARD'S BAY SEDIMENTS



HOWARD'S BAY
SUPERIOR, WISCONSIN
VPL APPLICATION

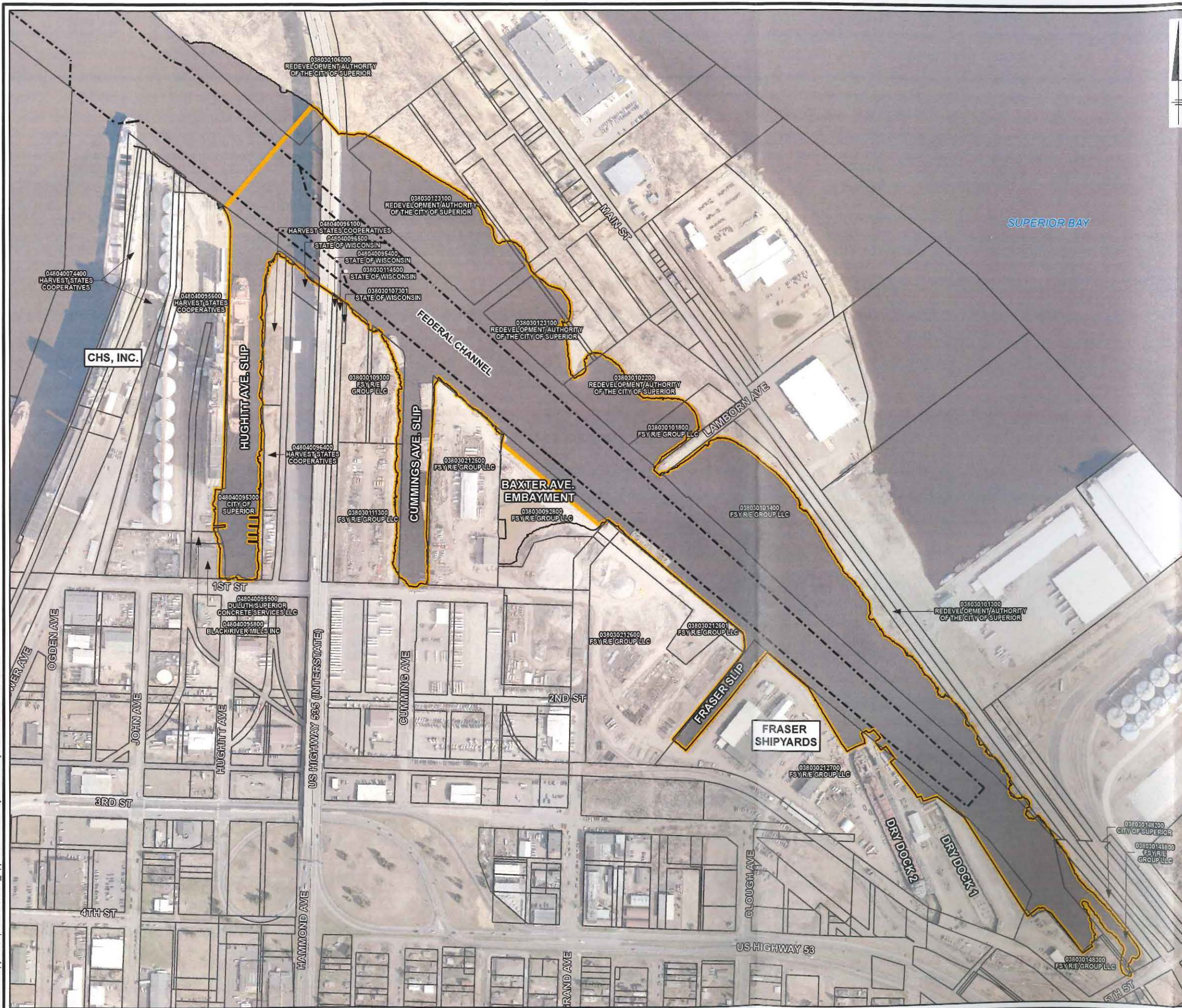
PROJECT AREA LOCATION MAP



FIGURE
1

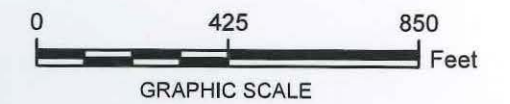
NOTES:
1. USGS TOPOGRAPHIC MAP OBTAINED FROM ARCGIS ONLINE MAPPING SERVICES.

City: SYR Div/Group: SWG Created By: J.RAPP Last Saved By: kives
FRASER SHIPYARD (C1001796.0001.0003)
Q:\FraserShipyard\Superior\WVPL_Application\mxd\SiteLocationMap.mxd 8/3/2018 1:41:21 PM



LEGEND:

- SHORELINE (APPROXIMATE)
- - - FEDERAL CHANNEL
- PROJECT BOUNDARY – HOWARD'S BAY SEDIMENTS
- PARCEL BOUNDARY (SEE NOTE 1)



NOTES:

1. 2016 ORTHOIMAGERY AND PARCEL BOUNDARIES/IDS/OWNERS OBTAINED MAY 17, 2018 FROM <http://www.ci.superior.wi.us/>
2. CHANNEL BOUNDARY PROVIDED BY THE US ARMY CORPS OF ENGINEERS - DETROIT DISTRICT <http://www.lre.usace.army.mil>

HOWARD'S BAY
 SUPERIOR, WISCONSIN
 VPLE APPLICATION
**PROJECT BOUNDARY –
 HOWARD'S BAY SEDIMENTS**



ATTACHMENT 3

Property Deeds



781183

Document Number

STATE BAR OF WISCONSIN FORM 3 - 2000
QUIT CLAIM DEED

DOCUMENT # 781183

This Deed, made between Fraser Shipyards, Inc., a Wisconsin corporation, Fraser-Nelson Shipbuilding and Dry Dock Co., Inc., a Wisconsin corporation, Troy Johnson, Inc., a Wisconsin corporation, Grantor, and FSY R/E Group, LLC, a Wisconsin limited liability company, Grantee.

Grantor quit claims to Grantee the following described real estate in Douglas County, State of Wisconsin (if more space is needed, please attach addendum):

See addendum attached hereto as Exhibit A.

Recorded
FEB. 03, 2005 AT 10:00AM
KATHY F. HANSON
DOUGLAS COUNTY RECORDER
SUPERIOR, WI 54880-2769
Fee Amount: \$43.00
Transfer Fee: \$3730.80

Recording Area

Name and Return Address
Krista J. Ebbens, Esq.
Reinhart Boerner Van Deuren, s.c.
W233 N2080 Ridgeview Parkway
Waukesha, WI 53188 43/ck

See attached Exhibit B
Parcel Identification Number (PIN)
Long 175+ attached
This is not homestead property.
(is) (is not)

Together with all appurtenant rights, title and interests.

Dated this 8th day of December 2004.
FRASER SHIPYARDS, INC.

* By: Todd Johnson
Its: Exec VP
*

*
*
*

AUTHENTICATION

ACKNOWLEDGMENT

Signature(s) _____
authenticated this _____ day of _____,

STATE OF WISCONSIN)
) ss.
Douglas County.)

Personally came before me this 8th day of December, 2004 the above named Todd Johnson as Exec VP of Fraser Shipyards, Inc.
Inc.

*
TITLE: MEMBER STATE BAR OF WISCONSIN
(If not, _____
authorized by §706.06, Wis. Stats.)

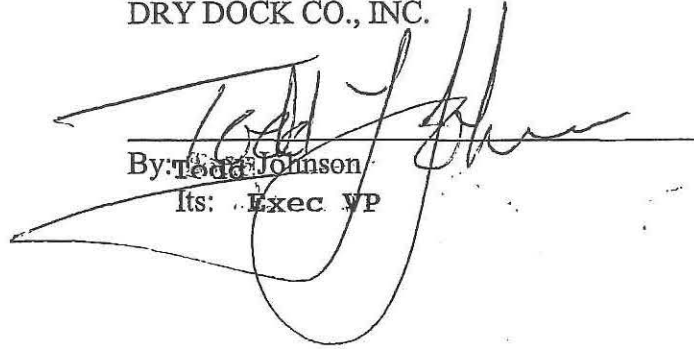
to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

THIS INSTRUMENT WAS DRAFTED BY
Krista J. Ebbens, Esq. [1082068]

Marcia A. Geyer
* Marcia A. Geyer
Notary Public, State of Wisconsin
My Commission is permanent. (If not, state expiration date:
My Commission Expires 5/4/2008)

RJS
Doc#
00008

FRASER-NELSON SHIPBUILDING AND
DRY DOCK CO., INC.


By: Todd Johnson
Its: Exec VP

State of Wisconsin)
)ss.
Douglas County)

Personally came before me this 9 day of December, 2004, the above named Todd Johnson as Exec VP of Fraser-Nelson Shipbuilding and Dry Dock Co., Inc. to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Marcia A. Geyer
* Marcia A. Geyer
Notary Public, State of Wisconsin
My Commission is permanent. (If not, state expiration date:
My Commission Expires 5/4/2008.)

TROY JOHNSON, INC.

Todd Johnson
By: Todd Johnson
Its: Exec. VP

State of Wisconsin)
)ss.
Douglas County)

Personally came before me this 8 day of December, 2004, the above named Todd Johnson as Exec. VP of Troy Johnson, Inc. to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Marcia A. Geyer
* Marcia A. Geyer
Notary Public, State of Wisconsin

My Commission is permanent. (If not, state expiration date:

My Commission Expires 5/4/2008.)

Grantor: Fraser Shipyards, Inc., Fraser-Nelson Shipbuilding and Dry Dock Co.,
Inc., and Troy Johnson, Inc.

Grantee: FSY R/E Group, LLC

QUIT CLAIM DEED

EXHIBIT A

PROPERTY DESCRIPTIONS:

1. A piece or parcel of land, being a part of "Lot A", Block 510, Sweetser Division, Superior, Wisconsin, described as follows, to-wit: Beginning at a point on the Northeasterly line of the right-of-way of the Lake Superior Terminal and Transfer Railway Company, which point is the Southwesterly corner of "Lot A"; thence running Northwesterly along said right-of-way line a distance of 129 feet; thence running Northeasterly, at an angle of 90°, with said right-of-way, 215 feet to the Southwesterly line of Howard's slip; thence Southeasterly, along said slip, 217 feet to the Southeasterly corner of said "Lot A", which point is also the Northeasterly corner of Lot numbered 16, of Block 510; thence Southwesterly 150 feet to the place of beginning; containing 665/1000 of an acre.
2. Lot A, Block 510, Sweetser Division, Superior, Wisconsin.
3. Lot 2, Block 510, West Superior, Sweetser Division, Douglas County, Wisconsin (City of Superior).
4. Parts of Lots 1, 2, 3, 4, 5 and 6 on Connor's Point in the City of Superior, Douglas County, Wisconsin, described according to the Plat of Connor's Point, dated and recorded May 13, 1856, in Book "A" of Plats, Page 236, in the office of the Register of Deeds, Douglas County, Wisconsin, to-wit: Beginning at the intersection of the Southeasterly line of Lamborn Avenue with the established Northeasterly dock line of "Howard's Pocket"; thence Northeasterly along said Southeasterly line of Lamborn Avenue, about 394.18 feet to a point distant 90 feet Southwesterly along said Avenue line from the Southwesterly line of Main Street; thence South 50°11' East a distance of 143.37 feet to the Northwesterly line of Lot 5; thence South 44°23' East 201.21 feet; thence South 37°16'30" East about 1833.67 feet to a point in said Northeasterly dock line of "Howard's Pocket" 105.6 feet from the Southerly line of Section 11, measured along said dock line; thence Northwesterly along said dock line about 2213.74 feet to the place of beginning.
5. Lots numbered 5 and 6, in Block numbered 511, in the Townsite of West Superior, Sweetser Division, according to the plat of said Townsite recorded in the office of the Register of Deeds in and for said County.

6. Lot 25, Cummings Slip Addition to West Superior, according to the recorded plat or plats thereof on file and of record in the Office of the Register of Deeds in and for said Douglas County, Wisconsin.
7. Lot numbered 16, in Block numbered 510, in the Townsite of West Superior, Sweetser Division, according to the plat of said Townsite, recorded in the office of the Register of Deeds in and for said County.
8. A tract of land being part of Government Lot 1, Section 11, Township 49, Range 14, bounded on the West by Cumming Slip, on the South by the Northerly line of First Street produced, on the East by the East line of Government Lot 1 produced, to the established dock line in Howard's Pocket, on the North by the said Dock line and Cumming Slip appurtenant thereto (7.108 acres).
9. Lot B, Peyton and Clough's Second Addition to West Superior.
10. That part of Lot 4, Block 511, Sweetser Division, which lies Northerly of a straight line which is parallel with the Northerly line of Bay Street and 107.25 feet Northerly from said North line of Bay Street, in the City of Superior, Douglas County, Wisconsin, according to the plat thereof on file or of record in the office of the Register of Deeds for Douglas County, Wisconsin.
11. Part of Lot 6, Connor's Point, lying Southwesterly of Main Street; commencing at an iron monument located at the intersection of the North line of Lamborn Avenue with the West line of Main Street in Lot 6; then Westerly along North line of Lamborn Avenue for a distance of 27.68 feet to an iron monument for place of beginning; then Northerly making an angle to the left of 73°28' for a distance of 146.24 feet to an iron monument located on the line between Lot 6 and 7, then Westerly along the boundary line between said Lot 6 and 7 to the established harbor line on Easterly side of Howard's Pocket; then Southerly along said harbor line to Northerly line of Lamborn Avenue; then Easterly along Northerly line of Lamborn Avenue to beginning. Except right-of-way, Connor's Point, City of Superior, according to the recorded plat or plats thereof on file and of record in the Office of the Register of Deeds in and for said Douglas County, Wisconsin.
12. Lots 1, 2 and 3, Block 511, Sweetser Division, Superior, Wisconsin.
13. Lot Ten (10) and Twenty-two (22) and Undivided 1/6 of Lots Sixteen (16) and Seventeen (17), Cummings Slip Addition to West Superior, Except Right-of-way (R/W), according to the recorded plat or plats thereof on file and of record in the Office of the Register of Deeds, in and for said Douglas County, Wisconsin.
14. That part of North 4th Street and Catlin Avenue in the City of Superior, Wisconsin, lying northeasterly of the right-of-way limits of the U.S. Highway 53.

15. All of First Street lying easterly of the east line of Baxter Avenue extended. Lamborn Avenue, between the north line of Second Street extended and the Government Harbor Line on Howard's Pocket;

16. An undivided 115/136 of Lots 14 and 15, Cummings Slip Addition to West Superior, Douglas County, Wisconsin.

17. An undivided one-half (1/2) interest in Lots Twenty (20) and Twenty-one (21), Subdivision of Lot One (1), CUMMINGS SLIP ADDITION TO WEST SUPERIOR:

AND,

Lots Twelve (12), Thirteen (13), and an undivided twenty-one one-hundred-thirty-sixths (21/136) interest in Lots Fourteen (14) and Fifteen (15), an undivided five-sixths (5/6) interest in Lots Sixteen (16) and Seventeen (17), and all of Lots Eighteen (18), Nineteen (19), Twenty-three (23) and Twenty-four (24), CUMMINGS SLIP ADDITION TO WEST SUPERIOR, EXCEPT right-of-way.

18. Lots 4, 5, 6 and 7, Block 159, all in West Superior, First Division, in the City of Superior, Douglas County, Wisconsin according to the plat thereof on file and of record in the office of the Register of Deeds in and for said Douglas County, Wisconsin.

19. Lots 3, 6, 7, 8, 11 and 12 in Block 510, Sweetser Division in the City of Superior, Douglas County, Wisconsin, according to the plat thereof on file and of record in the office of the Register of Deeds for said Douglas County.

20. Lot 10 in Block 510, Sweetser Division in the City of Superior, Douglas County, Wisconsin according to the plat thereof on file and of record in the office of the Register of Deeds for said Douglas County, Wisconsin.

21. Lot 1, 4, 5, 9, 13 and 14, Block 510 except part taken for Water Street and except right-of-way, Sweetser Division of West Superior, according to the recorded plat or plats thereof on file and of record in the Office of the Register of Deeds and for Douglas County, Wisconsin.

22. Lot 2 in Block 510, Sweetser Division in the City of Superior, Douglas County, Wisconsin, according to the plat thereof on file and of record in the office of the Register of Deeds for said Douglas County, Wisconsin.

23. Lot 2 to 9, inclusive, Lot 11, Cumming Slip Addition to West Superior, according to the recorded plat or plats thereof on file and of record in the office of the Register of Deeds in and for said Douglas County, Wisconsin.

24. Lots 24 to 38 and Fr. Lots 39 to 43, all inclusive in Subdivision of Lot 1 Cumming Slip Addition, according to the recorded plat or plats thereof on file and of record in the office of the Register of Deeds in and for said Douglas County, Wisconsin.
25. An undivided one-half (1/2) interest in Lot 20, Subdivision of Lot One (1), Cummings Slip Addition to West Superior.
26. An undivided one-half (1/2) interest in Lot 21, Subdivision of Lot One (1), Cummings Slip Addition to West Superior.
27. That part of Lot A lying South of South line of North First Street produced except part taken for Second Street and that part of Lot A lying North of North line of North First Street produced; Lots 1 to 15, inclusive, and Lot 16, except part taken for Second Street, Block 479, West Superior 20th Division.
28. All that part of Lot numbered 15, in Block numbered 510, in the Townsite of West Superior, Sweetser Division, according to the plats of said Townsite recorded in the office of the Register of Deeds in and for said County, described as follows: Commencing at the Southerly corner of said Lot 15, where the Southwesterly side of said lot strikes 5th Street for a place of beginning; thence running Northwest, along its Southwesterly side, the whole length of said lot; thence Northeast along the Northwesterly end of said lot, 65 feet; thence Southeasterly at right angles to said Northwesterly end of said lot, and parallel to the Southwesterly side thereof to the Northwesterly side of 5th Street; thence Southwesterly along the Northwesterly side of 5th Street to the place of beginning.
29. All that part of Government Lots 1 and 2 in Section 11, Township 49 North, Range 14 West, Douglas County, Wisconsin, described as follows: Beginning at a point on the East line of Grand Avenue (formerly Lamborn Avenue), which point is also located on North right-of-way line of the Lake Superior Terminal & Transfer Railway Company as now established, and is 245 feet North of the center line of Third Street when measured along Easterly line of said Grand Avenue; thence East along said right-of-way line a distance of 290.54 feet to a point; thence Northeasterly at an angle to the left of 53°30' a distance of 687 feet more or less to a point on the U.S. Government harbor line as now established on the Southerly side of Howard's Pocket; thence is a Northwesterly direction along said harbor line to a point on the Easterly line of Grand Avenue; thence Southwesterly and South along said East line of Grand Avenue to the point of beginning.
30. All that part of Government Lot 2, Section 14, Township 49 North, Range 14 West, Douglas County, Wisconsin, described as follows: Beginning at the NW corner of said Lot 2, which point is also the N1/4 corner of said Section 14; thence Easterly along said North line of Government Lot 2 a distance of 236 feet more or less, to the U.S. Government harbor line as now established on the Southerly side of Howard's Pocket; thence Southwesterly at an angle to the right of 48°23' along South line of Howard's Slip a distance of 333 feet to a point; thence Southwesterly at an angle to the right of 61°3' a

distance of 212 feet more or less to a point on the North right-of-way line of the Lake Superior Terminal & Transfer Railway Company as now established; thence Northwesterly along said right-of-way line as now established to a point on the Westerly line of Government Lot 2; thence North along said Westerly line of Government Lot 2 to the point of beginning.

31. All that part of Government Lot 2 in Section 11, Township 49 North, Range 14 West, in Douglas County, Wisconsin, described as follows: Commencing at a point on the East line of Grand Avenue (formerly Lamborn Avenue), which point is also located on the North line of the right-of-way of the Lake Superior Terminal & Transfer Railway Company as now established, and is 245 feet North of the center line of Third Street when measured along the East line of Grand Avenue; thence Easterly along Northerly line of the right-of-way of the Lake Superior Terminal & Transfer Railway Company a distance of 290.54 feet to a point, which is the point of beginning of the parcel of land herein to be described; thence at an angle to the left of $53^{\circ}30'$ a distance of 687 feet more or less to a point on the U.S. Government harbor line as now established on the Southerly side of Howard's Pocket; thence in a Southeasterly direction along said harbor line to a point on the Northerly line of Government Lot 2 of Section 14 of said Township 49 North, Range 14 West; thence Westerly along said Northerly line of Section 14 to a point on the Northerly line of the right-of-way of the Lake Superior Terminal & Transfer Railway Company as now established; thence Northwesterly and Westerly along said Northerly right-of-way line to the point of beginning.

32. Lot A in the Eleventh Division and Lot D in the Fifteenth Division of the Townsite of West Superior, according to the respective plats thereof on file and of record in the office of Register of Deeds in and for said County of Douglas, Wisconsin.

33. Together with all rights to and under that certain Department of Army Permit with an effective date of January 10, 1977 and an expiration date of January 3, 1980, a copy of which permit is attached to this deed.

Together with all riparian, littoral, terminal and wharfage rights, reversionary rights, and rights of re-entry, if any, of the grantor, upon the lands and waters adjoining any of the premises hereby conveyed, and all other rights, title and interest, if any, in and to such adjoining lands, including the right or use of occupancy which the grantor may now have in and to any lands occupied by streets, alleys or other public places adjoining its premises above described, or any such vacated streets, alleys or public places.

Grantor: Fraser Shipyards, Inc., Fraser-Nelson Shipbuilding and Dry Dock Co.,
Inc., and Troy Johnson, Inc.

Grantee: FSY R/E Group, LLC

QUIT CLAIM DEED

EXHIBIT B

PARCEL IDENTIFICATION NUMBER

1. 03-803-00927-00
2. 03-803-01014-00
3. 03-803-01018-00
4. 03-803-01088-00
5. 03-803-01090-00
6. 03-803-01093-00
7. 03-803-01113-00
8. 03-803-01121-00
9. 03-803-01123-00
10. 03-803-01124-00
11. 03-803-01125-00
12. 03-803-01126-00
13. 03-803-01128-00
14. 03-803-01132-00
15. 03-803-01133-00
16. 03-803-01135-00
17. 03-803-01136-00
18. 03-803-01137-00
19. 03-803-01138-00
20. 03-803-01139-00
21. 03-803-01141-00
22. 03-803-01142-00
23. 03-803-01143-00
24. 03-803-01144-00
25. 03-803-01399-00
26. 03-803-01468-00
27. 03-803-01483-00
28. 03-803-02125-00
29. 03-803-02126-00
30. 03-803-02127-00
31. 04-804-00918-00

781183

Application No. LS-197A

Name of Applicant Fraser Shipyards, Inc.

Effective Date 10 January 1977

Expiration Date (if applicable) 3 January 1980

DEPARTMENT OF THE ARMY
PERMIT

Referring to written request dated 24 July 1975 for a permit to:

(x) Perform work in or affecting navigable waters of the United States, upon the recommendation of the Chief of Engineers, pursuant to Section 10 of the Rivers and Harbors Act of March 3, 1899 (33 U.S.C. 403):

(y) Discharge dredged or fill material into navigable waters upon the issuance of a permit from the Secretary of the Army acting through the Chief of Engineers pursuant to Section 404 of the Federal Water Pollution Control Act (86 Stat. 816, P.L. 92-500),

(z) Transport dredged material for the purpose of dumping it into ocean waters upon the issuance of a permit from the Secretary of the Army acting through the Chief of Engineers pursuant to Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972 (86 Stat. 1052; P.L. 92-532):

Fraser Shipyards, Inc.
Third Street and Clough Avenue
Superior, Wisconsin 54880
(Here insert the full name and address of the permittee)

is hereby authorized by the Secretary of the Army:

to excavate 57,000 cubic yards of material to facilitate the construction of dry dock "A" and dry dock "B". Dry dock "A" will be 1200 feet x 140 feet x 22 feet deep. Approximately 37,000 cubic yards of material will be used as fill behind the bulkhead and the remaining 20,000 cubic yards will be disposed of at the "Itasca Disposal Site."

(Here describe the proposed structure or activity, and its intended use. In the case of an application for a fill permit, describe the structures, if any, proposed to be erected on the fill. In the case of an application for the discharge of dredged or fill material into navigable waters or the transportation for discharge in ocean waters of dredged material, describe the type and quantity of material to be discharged.)

at Howards Bay of Lake Superior

(Here to be named the ocean, river, harbor, or water body concerned.)

at a site in secs. 11 and 14, T. 49 N., R. 14 W., of Douglas County at Superior, Wisconsin

(Here to be named the nearest well-known locality—preferably a town or city—and the distance in miles and tenths from some definite point in the same, stating whether above or below or giving direction by points of compass.)

In accordance with the plans and drawings attached hereto which are incorporated in and made a part of this permit (on drawings give file number or other definite identification marks):

entitled "Proposed Dry Docks" dated 6 June 1975,
revised 29 October 1975

subject to the following conditions:

I. General Conditions:

a. That all activities identified and authorized herein shall be consistent with the terms and conditions of this permit; and that any activities not specifically identified and authorized herein shall constitute a violation of the terms and conditions of this permit which may result in the modification, suspension or revocation of this permit, in whole or in part, as set forth more specifically in General Conditions j or k hereto, and in the institution of such legal proceedings as the United States Government may consider appropriate, whether or not this permit has been previously modified, suspended or revoked in whole or in part.

b. That all activities authorized herein shall, if they involve a discharge or deposit into navigable waters or ocean waters, be at all times consistent with applicable water quality standards, effluent limitations and standards of performance, prohibitions, and pretreatment standards established pursuant to Sections 301, 302, 306 and 307 of the Federal Water Pollution Control Act of 1972 (P.L. 92-500; 86 Stat. 815), or pursuant to applicable State and local law.

c. That when the activity authorized herein involves a discharge or deposit of dredged or fill material into navigable waters, the authorized activity shall, if applicable water quality standards are revised or modified during the term of this permit, be modified, if necessary, to conform with such revised or modified water quality standards within 6 months of the effective date of any revision or modification of water quality standards, or as directed by an implementation plan contained in such revised or modified standards, or within such longer period of time as the District Engineer, in consultation with the Regional Administrator of the Environmental Protection Agency, may determine to be reasonable under the circumstances.

d. That the permittee agrees to make every reasonable effort to prosecute the work authorized herein in a manner so as to minimize any adverse impact of the work on fish, wildlife and natural environmental values:

e. That the permittee agrees to prosecute the work authorized herein in a manner so as to minimize any degradation of water quality.

f. That the permittee shall permit the District Engineer or his authorized representative(s) or designee(s) to make periodic inspections at any time deemed necessary in order to assure that the activity being performed under authority of this permit is in accordance with the terms and conditions prescribed herein.

g. That the permittee shall maintain the structure or work authorized herein in good condition and in accordance with the plans and drawings attached hereto.

h. That this permit does not convey any property rights, either in real estate or material, or any exclusive privileges; and that it does not authorize any injury to property or invasion of rights or any infringement of Federal, State, or local laws or regulations, nor does it obviate the requirement to obtain State or local assent required by law for the activity authorized herein.

i. That this permit does not authorize the interference with any existing or proposed Federal project and that the permittee shall not be entitled to compensation for damage or injury to the structures or work authorized herein which may be caused by or result from existing or future operations undertaken by the United States in the public interest.

j. That this permit may be summarily suspended, in whole or in part, upon a finding by the District Engineer that immediate suspension of the activity authorized herein would be in the general public interest. Such suspension shall be effective upon receipt by the permittee of a written notice thereof which shall indicate (1) the extent of the suspension, (2) the reasons for this action, and (3) any corrective or preventative measures to be taken by the permittee which are deemed necessary by the District Engineer to abate imminent hazards to the general public interest. The permittee shall take immediate action to comply with the provisions of this notice. Within ten days following receipt of this notice of suspension, the permittee may request a hearing in order to present information relevant to a decision as to whether his permit should be reinstated, modified or revoked. If a hearing is requested, it shall be conducted pursuant to procedures prescribed by the Chief of Engineers. After completion of the hearing, or within a reasonable time after issuance of the suspension notice to the permittee if no hearing is requested, the permit will either be reinstated, modified or revoked.

k. That this permit may be either modified, suspended or revoked in whole or in part if the Secretary of the Army or his authorized representative determines that there has been a violation of any of the terms or conditions of this permit or that such action would otherwise be in the public interest. Any such modification, suspension, or revocation shall become effective 30 days after receipt by the permittee of written notice of such action which shall specify the facts or conduct warranting same unless (1) within the 30-day period the permittee is able to satisfactorily demonstrate that (a) the alleged violation of the terms and the conditions of this permit did not, in fact, occur or (b) the alleged violation was accidental, and the permittee has been operating in compliance with the terms and conditions of the permit and is able to provide satisfactory assurances that future operations shall be in full compliance with the terms and conditions of this permit; or (2) within the aforesaid 30-day period, the permittee requests that a public hearing be held to present oral and written evidence concerning the proposed modification, suspension or revocation. The conduct of this hearing and the procedures for making a final decision either to modify, suspend or revoke this permit in whole or in part shall be pursuant to procedures prescribed by the Chief of Engineers.

l. That in issuing this permit, the Government has relied on the information and data which the permittee has provided in connection with his permit application. If, subsequent to the issuance of this permit, such information and data prove to be false, incomplete or inaccurate, this permit may be modified, suspended or revoked, in whole or in part, and/or the Government may, in addition, institute appropriate legal proceedings.

m. That any modification, suspension, or revocation of this permit shall not be the basis for any claim for damages against the United States.

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That the permittee shall notify the District Engineer at what time the activity authorized herein will be commenced, as far in advance of the time of commencement as the District Engineer may specify, and of any suspension of work, if for a period of more than one week, resumption of work and its completion.

q. That if the activity authorized herein is not started on or before _____ day of _____, 19____ (one year from the date of issuance of this permit unless otherwise specified) and is not completed on or before _____ day of _____, 19____ (three years from the date of issuance of this permit unless otherwise specified) this permit, if not previously revoked or specifically extended, shall automatically expire.

p. That no attempt shall be made by the permittee to prevent the full and free use by the public of all navigable waters at or adjacent to the activity authorized by this permit.

q. That if the display of lights and signals on any structure or work authorized herein is not otherwise provided for by law, such lights and signals as may be prescribed by the United States Coast Guard shall be installed and maintained by and at the expense of the permittee.

r. That this permit does not authorize or approve the construction of particular structures, the authorization or approval of which may require authorization by the Congress or other agencies of the Federal Government.

s. That if and when the permittee desires to abandon the activity authorized herein, unless such abandonment is part of a transfer procedure by which the permittee is transferring his interests herein to a third party pursuant to General Condition v hereof, he must restore the area to a condition satisfactory to the District Engineer.

t. That if the recording of this permit is possible under applicable State or local law, the permittee shall take such action as may be necessary to record this permit with the Register of Deeds or other appropriate official charged with the responsibility for maintaining records of title to and interests in real property.

u. That there shall be no unreasonable interference with navigation by the existence or use of the activity authorized herein.

v. That this permit may not be transferred to a third party without prior written notice to the District Engineer, either by the transferee's written agreement to comply with all terms and condition of this permit or by the transferee subscribing to this permit in the space provided below and thereby agreeing to comply with all terms and conditions of this permit. In addition, if the permittee transfers the interests authorized herein by conveyance of realty, the deed shall reference this permit and the terms and conditions specified herein and this permit shall be recorded along with the deed with the Register of Deeds or other appropriate official.

The following Special Conditions will be applicable when appropriate:

STRUCTURES FOR SMALL BOATS: That permittee hereby recognizes the possibility that the structure permitted herein may be subject to damage by wave wash from passing vessels. The issuance of this permit does not relieve the permittee from taking all proper steps to insure the integrity of the structure permitted herein and the safety of boats moored thereto from damage by wave wash and the permittee shall not hold the United States liable for any such damage.

DISCHARGE OF DREDGED MATERIAL INTO OCEAN WATERS: That the permittee shall place a copy of this permit in a conspicuous place in the vessel to be used for the transportation and/or dumping of the dredged material as authorized herein.

ERECTION OF STRUCTURE IN OR OVER NAVIGABLE WATERS: That the permittee, upon receipt of a notice of revocation of this permit or upon its expiration before completion of the authorized structure or work, shall, without expense to the United States and in such time and manner as the Secretary of the Army or his authorized representative may direct, restore the waterway to its former conditions. If the permittee fails to comply with the direction of the Secretary of the Army or his authorized representative, the Secretary or his designee may restore the waterway to its former condition, by contract or otherwise, and recover the cost thereof from the permittee.

MAINTENANCE DREDGING: (1) That when the work authorized herein includes periodic maintenance dredging, it may be performed under this permit for 3 years from the date of issuance of this permit (ten years unless otherwise indicated); and (2) That the permittee will advise the District Engineer in writing at least two weeks before he intends to undertake any maintenance dredging.

II. Special Conditions (These list conditions relating specifically to the proposed structure or work authorized by this permit):

- a. Establish and carry out a program for immediate removal of debris during construction in order to prevent the accumulation of unsightly, deleterious and/or potentially polluted materials in the waterway.
- b. Excavate, dredge, or fill in the watercourse so as to minimize increases in suspended solids and turbidity which may degrade water quality and damage aquatic life outside the immediate area of operation.
- c. Investigate for water supply intakes or other activities which may be affected by suspended solids and turbidity increases caused by work in the watercourse and give sufficient notice to the owners of affected activities to allow preparation for any changes in water quality.
- d. Complete construction of the bulkhead prior to the placement of fill material behind the bulkhead.
- e. Assure that deposition of dredged or excavated materials on shore, and all earthwork operations on shore will be carried out in such a way that sediment runoff and soil erosion to the watercourse are controlled and minimized. Spoil materials from watercourse or onshore operations, including sludge deposits, will not be dumped into the watercourse. Areas for deposit of dredged materials will be provided with temporary dikes or bulkheads for separation and retention of settleable solids.

This permit shall become effective on the date of the District Engineer's signature.

Permittee hereby accepts and agrees to comply with the terms and conditions of this permit.

John White

Jan 24, 1977

PERMITTEE
FRASER SHIPYARDS, INC.

DATE

BY AUTHORITY OF THE SECRETARY OF THE ARMY:

Peter A. Fischer

30 January 1977

PETER A. FISCHER
Asst. Chief, Engineer Division
DISTRICT ENGINEER,
U.S. ARMY, CORPS OF ENGINEERS

DATE

Transferor hereby agrees to comply with the terms and conditions of this permit.

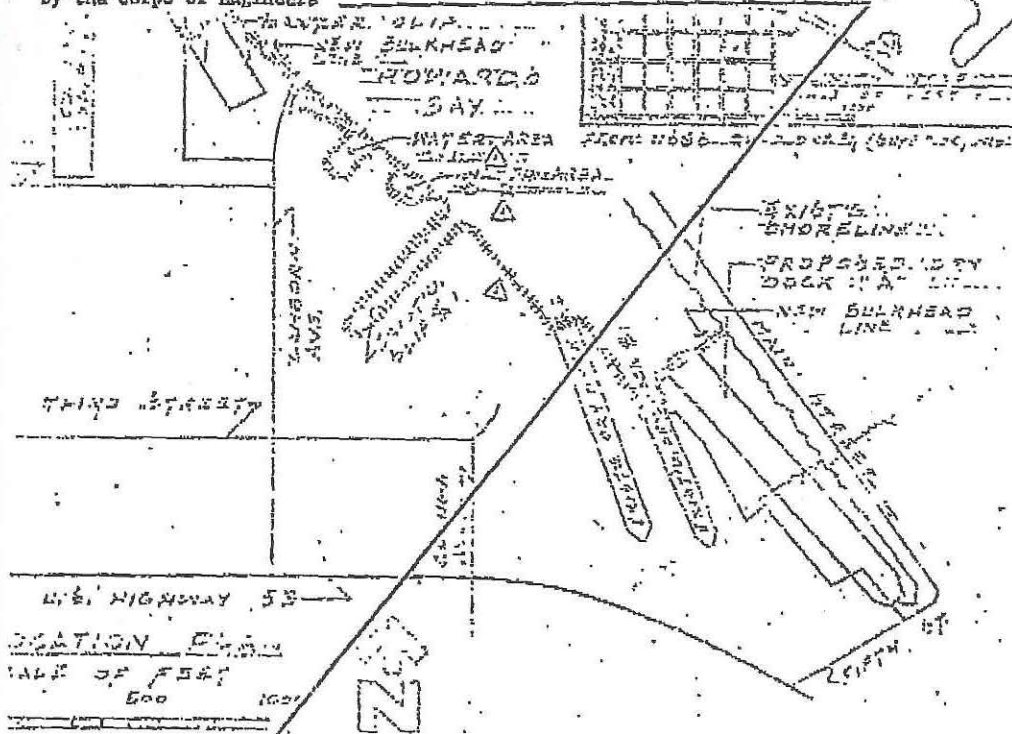
TRANSFEREE

DATE

f. Assure that upon completion of earthwork operations, all fills in the water or on shore, and other areas on shore disturbed during construction will be seeded, riprapped or given some other type of protection from subsequent soil erosion.

g. Employ measures to prevent or control spilled fuels or lubricants from entering the waters of the United States and formulate a contingency plan to be effective in the event of a spill.

h. Initiate a program for the future disposal of dredged materials which may accumulate in the docking area according to the regulations established by the Corps of Engineers

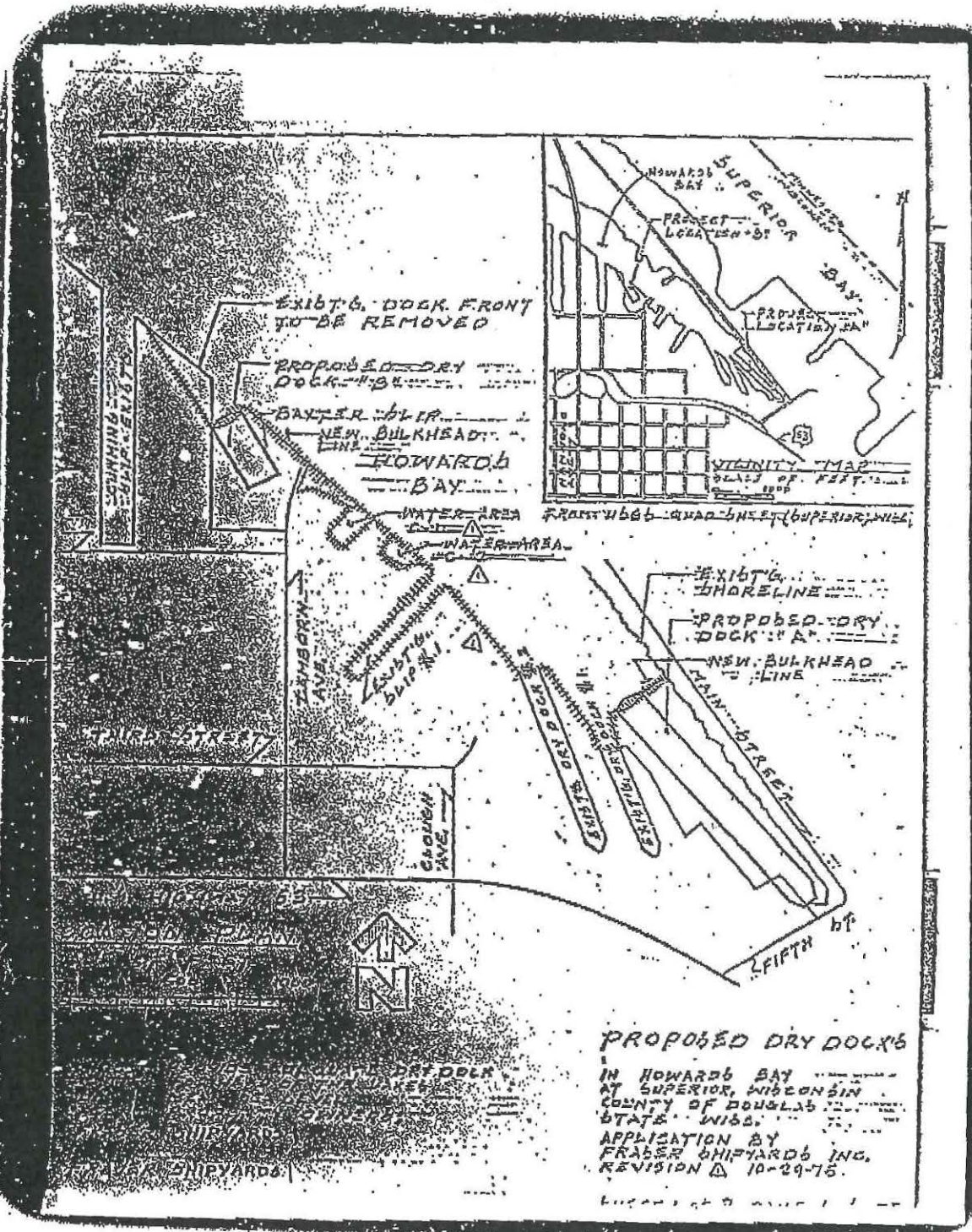


LOCATION OF
SCALE OF FEET
500 1000

PROPOSED DRY DOCK
IN HOWARD'S BAY
APPLICATION BY
FRANCIS B. BARNES, INC.
REVISION A 10-25-75

WATER SHIPYARD
WATER SHIPYARD

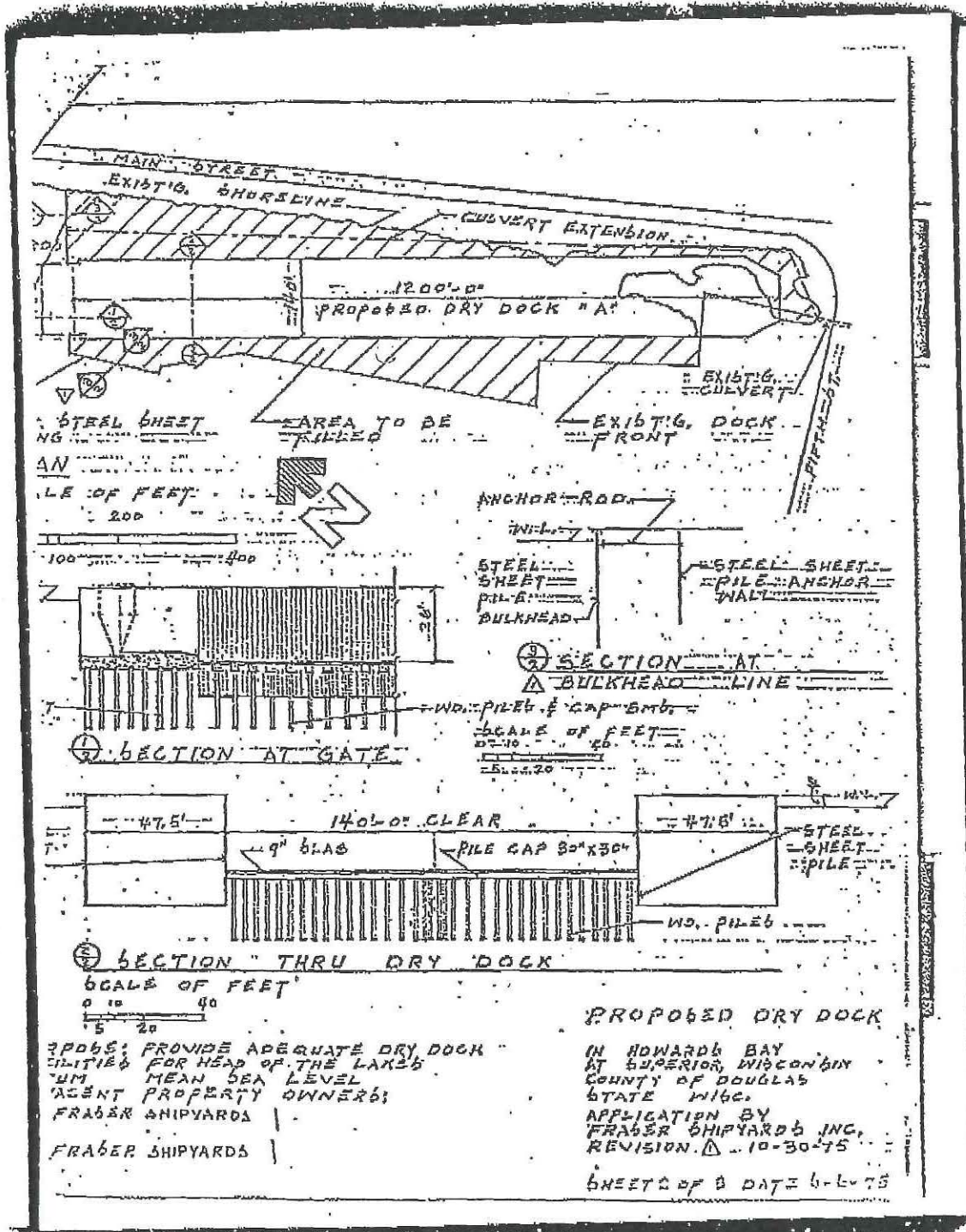
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PROPOSED DRY DOCK'S
 IN HOWARD BAY
 AT SUPERIOR, WISCONSIN
 COUNTY OF DOUGLAS
 STATE WIS.
 APPLICATION BY
 FRASER SHIPYARDS INC.
 REVISION Δ 10-29-75.

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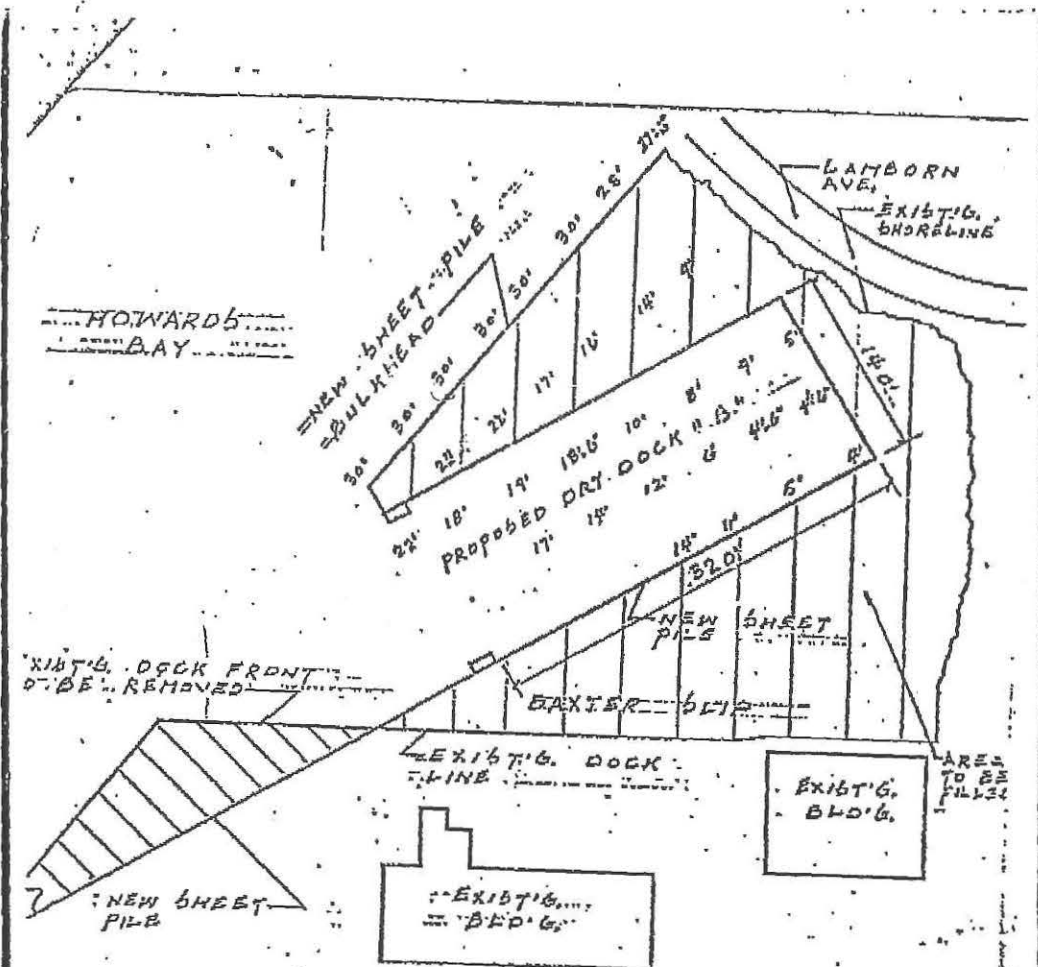
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PROPOSED DRY DOCK
 PROVIDE ADEQUATE DRY DOCK
 CAPACITY FOR HEAD OF THE LAKE
 TO MEAN SEA LEVEL
 ASSENT PROPERTY OWNERS;
 FRAGER SHIPYARDS
 FRAGER SHIPYARDS

IN HOWARDS BAY
 AT SUPERIOR, WISCONSIN
 COUNTY OF DOUGLAS
 STATE WISG.
 APPLICATION BY
 FRAGER SHIPYARDS INC.
 REVISION. 10-30-75
 SHEETS OF 3 DATE 6-6-75

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LAN
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PROBE: PROVIDE ADEQUATE DRY DOCK
 SITUATED FOR HEAD OF THE LAKE
 WITH MEAN SEA LEVEL
 AGENT PROPERTY OWNERS
 FRABER-NELSON
 FRABER-NELSON

PROPOSED DRY DOCK

IN HOWARDS BAY
 AT SUPERIOR, WISCONSIN
 COUNTY OF BOULDER
 STATE WISC.
 APPLICATION BY
 FRABER SHIPYARD INC.

SHEET 3 OF 3 DATE 6-6-