

**MINUTES OF REGULAR BOARD MEETING  
OF WAUKEGAN PORT DISTRICT**

**August 24, 2011**

**55 South Harbor Place, Waukegan, Illinois  
Harbor Control Building**

**The following Board members were present:**

Hank Bogdala  
Dale Johnson  
Jorge Torres  
Joe Legat  
Homer Benavides  
Todd Binning  
Mike Melius

**The following Board member was absent:**

None

**District Counsel present:**

Thomas A. Morris, Jr.

**Members of the Port District Staff present:**

Duncan C. Henderson, A.A.E., Executive Director  
Chris Peters, Executive Assistant  
Brion O'Dell, Harbor Manager  
Jim Stanczak, Airport Manager  
Jamie O'Meara, Chief Accountant  
Terri Hatton, Slip Coordinator

**Others in attendance:**

Beverly Bogdala  
Grant Farrell, Waukegan Regional Airshow  
Paul Biehl  
Larry Walker, Waukegan Yacht Services  
Gus Phillips, First Mate

1. Call to Order by Chairman Bogdala at 2:00 PM
2. Roll Call: All board members were present.
3. Pledge of Allegiance

A moment of silence was observed in honor of Dr. Rodger E. Welker, long time board member and former Chairman of the Board.

4. Approval of Board Meeting Minutes of July 27, 2011

On motion of Mr. Torres to approve the Minutes of the July 27, 2011 board meeting, seconded by Mr. Johnson, all members present voted aye and the Chairman declared the motion carried.

5. Approval of checks.

After Mr. Torres report on checks and answering a number of questions relating to expenses, on motion of Mr. Torres to approve checks, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

Mr. Morris arrived at the meeting.

6. Financial Reports: July, 2011

Mr. Henderson: Harbor revenues indicate no new trends at 78% of the budget. Attention was directed to cash on hand which would be relevant to later discussions. Expenses are flat holding at 53% of budget for the year. The Harbor Aging Report is Larry Walker's account. Mr. Walker is present and had paid \$15,000 since this report was generated. He said he would bring another \$15,000 this Friday.

Mr. Melius arrived at the meeting.

Beer revenue and inventory control was discussed. Expenses would appear high due to the City liquor license fee of \$2,000. State regulations on beer sales are complex, we have implemented a good inventory control and have received the State recommended training.

Airport revenues do not indicate any new trends. One lease payment can skew the numbers. Capital items are all attributed to the new maintenance building project. The aging report is clear.

7. Operations Reports: July 2011

Fuel is adjusted on delivery. The launch ramp figures are not new. Airport operations are flat. We picked up a based jet. Fuel deliveries indicate no changes. Landmark numbers are consistent and customs are up slightly.

On motion of Mr. Johnson to approve the July Financial and Operations Reports, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.



## **Harbor– Board/Public Commentary**

Paul Biehl inquired what was known about an Army Corps of Engineers presentation in Milwaukee? Mr. O'Dell responded that the Corps reported they were abandoning maintenance and dredging of all small harbors with less than one million tons of business annually due to lack of funding. Waukegan Harbor receives about 100,000 tons annually. The Army Corps evaluated the impact of the abandonment on the surrounding communities and businesses but failed to recognize recreational marinas in their analysis. The impact on Waukegan would be to our three federal piers which protect the recreational marina break walls as well as the City water plant. The north sea wall of the entrance channel is rated "D". We are in far better condition than many other harbors including Milwaukee which has 3 miles of failed break walls.

Another component to the Army Corps presentation was by Chuck May from the Great Lakes Small Harbors Coalition (GLSHC). He requested that we adopt a resolution in support of the organization. He is encouraging Great Lakes Federal Harbors to get together to obtain support from Congress to include funding in future budgets of a lump sum adequate to sustain maintenance and dredging. Currently there exists a 1% tax on commercial tonnage designated as a Harbor Maintenance Tax created to maintain our federal harbors. These funds are not being appropriated for their intended purpose.

Mr. Bogdala suggested board meetings be relocated to a handicapped accessible facility. After discussion, it was determined that board meetings could be held at the new airport maintenance building. Mr. Morris suggested we take action on the change next month, but that we could hold the September meeting at the new location with proper notice.

On motion of Mr. Torres to have the September meeting at the Barney Baker Building, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

## **Harbor - Unfinished Business**

### **8. Status Report**

Mr. O'Dell reported the Corps of Engineers advised they had enough money left for one last dredge of our entrance channel, but we do not know when that will happen. Aquatic weed spraying would be done next month. There had been an event at the marina where a woman with apparent emotional issues had stolen a boat. She was apprehended by our maintenance staff before leaving the harbor and then taken into custody by the police.

## **Harbor - New Business**

### **9. Slip Fees 2012**

Marina staff had conducted a review of slip fees anticipating 2012 contract renewals. An increase would not be recommended in light of the economy and competitor harbors. On motion of Mr. Legat to hold prices for the 2012 season, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

10. Resolution 2011-R-02

Mr. Bogdala read Resolution 2011-R-02 and recommended ratification by the board. On motion of Mr. Torres to adopt the Resolution as read, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried. Mr. Bogdala would present the Resolution at the next CAG meeting.

11. Resolution 2011-R-03

Mr. Henderson recommended ratification of Resolution 2011-R-03 in support of the Great Lakes Small Harbors Coalition. This is to garner support for the release of funds collected pursuant to the Harbor Maintenance Trust Fund to repair and maintain critical federal infrastructures and dredge around the Great Lakes. On motion of Mr. Binning to adopt the Resolution presented, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

**Airport – Board/Public Commentary**

None

**Airport - Unfinished Business**

12. Status Report

Mr. Stanczak advised the U.S. Department of Agriculture had been present at the airport conducting their Wildlife Hazard Study. Borings and core sampling was underway for Taxiway B. The Ray demolition contract has been signed and is in permitting. Asbestos reports are due out Friday. Beach Park Fire Department has keys to the houses. The Eastwood Road Plat of Vacation is now recorded and we are neighbors of the Lake County Forest Preserve. Taxiway S is awaiting signatures from Illinois Division of Aeronautics and we are awaiting funding for the fence project.

**Airport - New Business**

13. Permit to Conduct an Airshow / Aviation Event at Waukegan Regional Airport, 10 September 2011

Grant Farrell presented a summary of activity on the 2011 Air Show. 20,000 visitors are expected this year and he went over various acts that would be presented. He inquired if the Port district would make a donation to their show. Mr. Bogdala suggested we contribute \$5,000 to the Waukegan Regional Airshow and he inquired if there were tickets available for poor kids. Mr. Farrell told him that 12 and under have free admission. Mr. Farrell is very complimentary of the airport saying it was a jewel to the community. Organization of the event is ongoing and the City of Waukegan does not embrace the event, but does require that concessionaires pay a vendor fee to the City of Waukegan. The financial situation of the Air Show and a report of profit distribution was requested. Mr. Farrell reported that the act participants receive fees to perform from proceeds. The Air Show was able to donate \$15,000 in 2010. Victims of 911



received \$10,000 and funds went to the Civil Air Patrol and ZB Sea Cadets. Waukegan Regional Air Show keeps \$5-10,000 for the next event.

On motion of Mr. Johnson to issue the Permit to Conduct an Airshow / Aviation Event at Waukegan Regional Airport, 10 September 2011, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried.

On motion of Mr. Johnson to donate \$5,000 to the Waukegan Regional Airshow, seconded by Mr. Torres, all members present voted aye and the Chairman declared the motion carried.

Mr. Farrell asked the board if they would like to suggest a charity for future donations. No suggestions were volunteered. Mr. Benavides asked Mr. Farrell for his contact information.

**Closed Session:**

On motion of Mr. Torres to go into Closed Session, seconded by Mr. Binning, on a roll call vote, Messrs. Legat, Torres, Melius, Binning, Benavides, Johnson and Bogdala voted aye and the motion was carried.

14. Approval of Closed Session Minutes of July 27, 2011

15. Business and Legal Matters pursuant to 5 ILCS 120/2 (c) (5) (6) and (11) of the Open Meetings Act.

**Open Session**

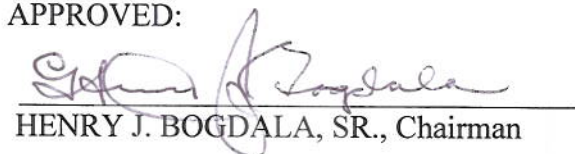
16. Action on Business and Legal Matters pursuant to 5 ILCS 120/2 (c) (5) (6) and (11) of the Open Meetings Act.

On motion of Mr. Johnson to seek an appraisal of adjacent properties, seconded by Mr. Torres, all members present, being Messrs. Bogdala, Torres, Melius, Binning, Benavides, and Johnson, voted aye and the Chairman declared the motion carried. Mr. Legat returned to the meeting.

There being no further business, on motion of Mr. Legat to adjourn the meeting, seconded by Mr. Johnson, all members present voted aye, the Chairman declared the motion carried. The meeting adjourned.

  
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DALE R. JOHNSON, Secretary

APPROVED:

  
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HENRY J. BOGDALA, SR., Chairman