

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

September 28, 2011

**Waukegan Regional Airport
Barney Baker Building
2601 Plane Rest Drive, Waukegan, Illinois**

The following Board members were present:

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

The following Board members were absent:

Homer Benavides

District Counsel present:

Thomas A. Morris, Jr.

Members of the Port District Staff present:

Duncan C. Henderson, A.A.E., Executive Director
Jim Stanczak, Airport Manager
Chris Peters, Administrative Assistant
Brion O'Dell, Marina Manager
Jamie O'Meara, Chief Accountant
Barney Baker, Airport Maintenance Supervisor

Others in attendance:

Beverly Bogdala

Mr. Bogdala called the meeting to order at 2:00 P.M.

1. Call to Order
2. Roll Call:

Joe Legat, Todd Binning, Jorge Torres, Dale Johnson and Hank Bogdala.

3. Pledge of Allegiance

Mr. Melius arrived at the meeting.

4. Approval of the Board Meeting Minutes of August 24, 2011

On motion of Mr. Johnson to approve regular meeting Minutes of August 24, 2011, seconded by Mr. Torres, all members present voted aye and the Chairman declared the motion carried.

5. Approval of Checks

Mr. Torres reported he had reviewed checks. After questions were answered explaining payments to Transworld and Tapco, on motion of Mr. Torres to approve checks, seconded by Mr. Melius, all members present voted aye, and the Chairman declared the motion passed. Mr. Morris arrived during discussion.

6. Financial Reports: August 2011

Mr. Henderson reviewed financial reports: No changes from previous months. Revenue is at 67%, flat and we have \$1.2 million in investments. Fuel flowage figures are due to a change in Landmark's philosophy of pricing versus DB Aviation's. Expenses are at 66% of budget. The utility figure is due to new construction of the BBB and North Shore Gas' failure to forward a bill for the new account.

Harbor revenues are down at \$200,000. After taking into consideration a delinquent tenant for \$43,000 and the economy of the boating industry, that figure is not surprising. Expenses are flat.

7. Operations Reports

Airport operations are flat. Fuel delivery by Landmark is of interest and customs are off slightly.

The Harbor Operations Report shows fuel delivery off slightly. A bad fishing season as well as launch ramp repairs last Spring are the explanation.

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

8. Approval of location of all future board meetings to the Barney Baker Building at 2601 N. Plane Rest Drive, Waukegan, Illinois.

Members discussed at great length the question of relocating board meetings. Mr. Morris explained the Open Meetings Act specified that meetings should be open to the public. Mr. Johnson and others expressed concern about alienating boaters by having all meetings at the airport. Mr. Bogdala was concerned about public access and stated it was the

law to have meetings where all could attend whether or not they had a disability. Other members felt that since no issue had been presented for the last 50 years the subject was moot. It was suggested that an addition to the Agenda to contact the Director in the event special accommodations might be needed could solve any future request. Mr. Morris explained the notice could mitigate any claim and that consideration would be given to the resources available to the District. Access for the boating public was given great consideration.

On motion of Mr. Melius to return to the previous meeting schedule, seconded by Mr. Legat, Messrs. Johnson, Legat, Binning, and Melius voted aye. Messrs. Bogdala and Torres voted nay. The motion carried. Mr. Bogdala asked Mr. Morris to research the time to veto the motion. Mr. Melius asked Mr. Morris to research the method to overturn the veto.

Airport – Board/Public Commentary

Board members inquired about the air show and discussed the recent crashes at the Reno Air Race and air show in Virginia. On inquiry, Mr. Henderson answered affirmatively that we do require insurance from the Air Show. Some logistics of our show were discussed and it was requested that the Air Show be placed on the next Agenda.

Airport – Unfinished Business

9. Status Reports

Jim Stanczak reported the U.S.D.A. was checking on wildlife hazards relative to the Master Plan. The \$75,000 DCEO Grant came through. Mr. Johnson asked if it could be used as a local share source and was answered that no, it had to be used for the specific thing we requested it for which was crack sealing and parking lot repairs. The funds will be delivered \$25,000 at a time. Surveyors are marking monuments on the airport and the fence funding came through. The air show had a good turnout. On inquiry, Mr. Stanczak added that the crash was caused by running out of fuel.

Mr. Morris asked if the congressional investigation by Congressman Walsh had been resolved. Mr. Henderson explained this inquiry was over the failed pavement at the Bear Den facility. We have had discussion with representatives of Bear Den on this subject previously. Bear Den alleged that construction trucks from the Taxiway A project (federally funded) had caused the failure. We disagree with their allegation. IDOA received the congressional inquiry and contacted Mr. Henderson to aid in formulating their response. Additionally, the IDOA had conducted a pavement analysis prior to the construction project which included pictures. The IDOA was able to determine the Bear Den pavement was graded "failed" prior to our Taxiway A project. This complaint is tied to the request for naming rights. To date, nothing further has been requested from the Port District.

Mr. Henderson reported on the Taxiway S1, Fence, and Master Plan / Environmental Assessment which are all delayed due to federal funding. The fence project was bid and awarded three months ago, with re-authorizing of AIP it will be started when the ACOE signs off on wetlands. Taxiway S had a funding problem and with the paving season coming to an end will start on the by-pass but real work on Taxiway S will not commence until next Spring. The Master Plan/ Environmental Assessment (MP/EA) is a huge undertaking and we are in the 4th chapter. As chapters are approved, they are added to our website. The Maser Plan is the lead for the runway extension. Coordination with Illinois Highways lead to a request for a cost estimate. We were at \$140 million and have whittled it down to \$80 million for the road, tunnel and bridge. This is a five to ten year range project and will be coming up for congressional support in funding. We are at the brink of FAA support. Once this occurs all little projects will disappear and go to the extension.

Airport – New Business

None

Harbor-Board /Public Commentary

Ms. O'Meara passed out information for ArtWauk next on October 13, and a monthly event. She also gave a briefing on Paint the Town, a nationwide charitable effort toward local renovations.

Mr. Bogdala reported he had presented 2011-R-02 to CAG at their last meeting. He will also speak about passenger ships at the next CAG meeting. He has had difficulty getting ships from Chicago to go to Milwaukee. Milwaukee was interested but their boats are too slow. Betty was going to do it for \$10 a head but she got a job at Abbott. His Grandson is the Kenosha Chair and Violet Ricker is our chair. He expressed surprise that no information had come from Chicago at all.

Harbor Unfinished Business

10. Status Reports

Mr. O'Dell reported the harbor has begun shut down for the season. Water shut off will be October 17. Maintenance is working with less staff and they did an excellent job. Mr. Johnson inquired when did the boats have to be out and what happens after that date? Mr. O'Dell responded on October 31st with transient fees thereafter. One-half of the marina has to be manually torn down. Mr. Henderson added that there is no electric or water after October 31. There was one occasion when a boat froze in and we had to hire an ice breaker to get it out of the harbor. The ice freezes to depths around 18 inches.

Mr. Henderson also reported about the Chicago to Waukegan Sail Race. We allow the Yacht Club to run the event. A lady fell off a dock and is suing. It is two years into litigation. Mr. O'Dell and Mr. Henderson were deposed recently in the case.

Harbor New Business

On motion of Mr. Torres to go into Closed Session, seconded by Mr. Binning, all members present voted aye and the Chairman declared the motion carried.

Closed Session:

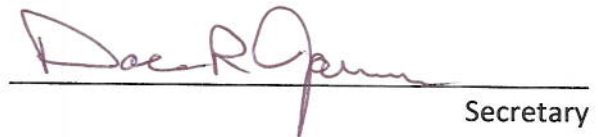
11. Approval of Closed Session Minutes of August 24, 2011
12. Business and Legal Matters pursuant to 5 ILCS 120/2 (c) (5) (6) and (11) of the Open Meetings Act.

Open Session

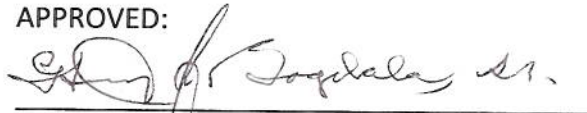
13. Business and Legal Matters pursuant to 5 ILCS 120/2 (c) (5) (6) and (11) of the Open Meetings Act.

On motion of Mr. Johnson to pursue an Offer on 3 and 6 E. Clayton St. under the parameters discussed in Closed Session, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried.

There being no further business, on motion of Mr. Torres to adjourn the meeting, seconded by Mr. Melius, all members present voted aye. Chairman Bogdala declared the motion carried and the meeting adjourned.


Secretary

APPROVED:


HENRY J. BOGDALA, SR., Chairman