

MINUTES OF REGULAR MEETING
OF WAUKEGAN PORT DISTRICT

March 28, 2012

Waukegan Regional Airport
Landmark Aviation FBO, Inc. – 2nd Level Conference Room
3550 N. McAree Road – Waukegan, Illinois

The following Board members were present:

Jorge Torres
Joe Legat
Homer Benavides
Todd Binning
Mike Melius

The following Board member was absent:

Dale Johnson

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
Barney Baker, Airport Maintenance Supervisor
Terri Hatton, Slip Coordinator

Others in attendance:

None

1. Call to Order by Chairman Torres.

The following board members were present: Messrs. Torres, Legat, Binning, and Melius.

On motion of Mr. Torres to appoint Mr. Legat Acting Secretary, seconded by Mr. Melius, all members present voted aye, and the Chairman declared the motion carried.

2. Approval of Regular Board Meeting Minutes of February 29, 2012.

On motion of Mr. Melius to approve the February 29 Board Meeting Minutes, seconded by Mr. Binning, all members present voted aye, and the Chairman declared the motion carried.

3. Approval of checks.

Checks were reviewed and on motion of Mr. Binning to approve the checks, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried.

4. Financial Reports: February 2012

Mr. Henderson reviewed the financial reports. Airport fuel flowage is down and explained that despite elusions to weather as the cause, he felt it is in fact due to the change in business practice between DB Aviation and their successor Landmark Aviation. Landmark markets toward bulk sales nationwide and discounts the price. This volume tactic reduces the cents per gallon for the Port District. Airport expenses are flat. The aging report shows zero. Harbor revenue totals are down about \$25,000 inspiring discussion about marketing practices. Mr. O'Dell and Ms. Hatton reported they had targeted their advertising locales and felt they had been successful. The economy and price of fuel has placed a burden on this luxury commodity. Harbor expenses are not unusual. We have spoken to Gillen Co. about their status on the Aging Report and they have money on the way. St. Mary's Cement is generally slow on their payment processing.

On motion of Mr. Binning to approve the financial reports for February 2012, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried.

5. Operations Reports: February 2012

Airport operations show a 32% increase in local operations which we can attribute to great weather. Landmark is our only retail fuel delivery company and as discussed earlier, their volume is down. Customs is picking up; Grainger and Reyes seem to have more international flights. There are no harbor operations to report being prior to the season open date. However, the launch ramps are open and have received some activity.

On motion of Mr. Legat to approve the February Operations report, seconded by Mr. Binning, all members present voted aye and the Chairman declared the motion carried.

6. Selection of Auditor

A Request for Proposals (RFP) was issued for auditing services for the three years 2011, 2012, 2013. Four firms responded to the RFP. The low bidder, and current auditor, was Evoy, Kamschulte, Jacobs & Co. from Waukegan. Mr. Torres complimented Ms. O'Meara for her efforts to accomplish the RFP. On motion of Mr. Binning to select Evoy, Kamschulte, Jacobs & Co. as the auditor for the years 2011, 2012 and 2013, seconded by Mr. Legat, all members present voted aye and the Chairman declared the motion carried.

7. Board Member Training – Deferred to later in the meeting.

Airport – Board/Public Commentary

None

Airport - Unfinished Business

8. Status Reports

Mr. Stanczak reported the Watershed Ordinance permitting process was underway. Taxiway S and B will both be done by Curran Contracting.

Mr. Benavides arrived during this report.

Bear Den Coop is also going to commence repairs to their pavement. The airport's fence project will start at the end of April.

Mr. Henderson reported the US Coast Guard announced closing their base here at Waukegan. He is working with Congressman Dold toward keeping the base operational.

Landmark Aviation Waukegan has received the highest commendation for level of safety in the Landmark Company nationally. This is a significant accomplishment rewarded with a trip to Hawaii for the Waukegan Manager, Josh Lewis and his wife.

The Master Plan and Environmental Assessment continue with Hanson Professional Services shepherding the process. Illinois Department of Highways has the ball to determine whether they want to proceed with a road relocation versus a tunnel. The Highway Dept. currently feels a purchase of fee simple land from the Forest Preserve may be possible.

9. Air Show Permit 2012

After discussion, on motion of Mr. Melius to approve the 2012 Air Show Permit, seconded by Mr. Binning, all members present voted aye and the Chairman declared the motion carried.

Board Member Training (Item 7):

Mr. Morris reviewed the Ethics and the Open Meeting Acts for the board. The Ethics Act prohibits use of public funds to urge voting, prohibits gifts from prohibited sources, i.e. no gifts from anyone doing or wanting to do business with the District. Use of employees for political endeavors is prohibited. He stated there can be no personal gain due to a position with the District which would constitute a conflict of interest. The presentation included discussion about official misconduct, bribery and solicitation misconduct, conflicts of interest, prohibited political activities, the Gift Ban Act and Disclosure of Economic Interests. Any questions could be presented to Mr. Morris or Mr. Melius the elected Ethics Officer for the Board.

Airport - New Business

None

Harbor- Board/Public Commentary

Mr. Torres invited board members to attend the City of Waukegan Council Meeting the following Monday where the City intended to issue a Proclamation to Mr. Bogdala at which time he would present the District's plaque.

Harbor - Unfinished Business

10. Status Reports

Mr. O'Dell reported the harbor is ready for the April 1 open of business. All permits have finally been obtained to remove the sand bar at the South Marina entrance. Mr. Henderson explained the two entrance channel shoaling problems. South Marina is ready to go with \$150,000 budgeted to complete. The North Harbor entrance will be dredged by the Army Corps this Spring. The USEPA will also be conducting their cleanup dredge later this year. The permits Mr. O'Dell referred to apply to the sand bar at the entrance of South Marina. We continue the application process for the ten year maintenance dredging permit for South Marina. Our difficulty is where do we take the dredged materials. North Point and Wilmette are able to dump their sediment in the lake. We cannot dump into the open lake.

Harbor - New Business

None

Closed Session: None

Open Session:

11. Approval of Closed Session Minutes of February 29, 2012

On motion of Mr. Legat to approve the Closed Session Minutes of February 29, 2012, 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. Melius to adjourn the meeting, seconded by Mr. Legat, all members present voted aye, and the Chairman declared the motion carried. The meeting adjourned.



DALE R. JOHNSON, Secretary

APPROVED:



JORGE M. TORRES, Chairman