

MINUTES OF REGULAR MEETING  
OF WAUKEGAN PORT DISTRICT

May 23, 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  
Dale Johnson  
Homer Benavides  
Mike Melius

**The following Board member was absent:**

Joe Legat  
Todd Binning

**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  
Barney Baker, Airport Maintenance Supervisor  
Jamie O'Meara, Chief Accountant

**Others in attendance:**

Josh Lewis, Landmark Aviation Waukegan LLC  
Grant Farrell, Waukegan Air Show  
Larry Walker, Waukegan Yacht Services, Inc.  
Billy McCaffree, Boater

1. Call to Order by Chairman Torres at 2:44 PM.
2. Approval of Regular Board Meeting Minutes of April 25, 2012.

On motion of Mr. Johnson to approve the April 25, 2012 Board Meeting Minutes, seconded by Mr. Melius, all members present voted aye, and the Chairman declared the motion carried.

3. Approval of checks.

Checks were reviewed. Questions were presented on issuance of boat slip refunds and the policy in place. The refund policy should be re-evaluated at budget time. On motion of Mr. Melius to approve checks, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

4. Financial Reports: April 2012

Airport revenues are at 24% of budget. Fuel flowage figures are right on from April 2011 to April 2012. Airport expenses show an increase in utilities. Capital items are for office repairs, a payment for the BBB and the sponsor's share of the Taxiway B project commencing soon. The aging report is clear.

Harbor revenues show a decrease in slip income year to date. Launch fees are up related to an early open. Harbor expenses show an increase in legal fees for negotiations with the USEPA on their North Harbor project. The aging report raises LaFarge which has been paid since the report was generated; the Yacht Club which traditionally pays a month behind and Waukegan Yacht Services. Mr. Walker of Waukegan Yacht Services was present and discussion revealed the amount due from him is much higher as he currently owes four months of rent. Mr. Walker reported many boaters find it cheaper to keep their boat in storage than putting it in the water and paying a slip fee. Mr. Walker was encouraged to increase the summer storage fee. Mr. Henderson told the board the arrearage was a major concern and that previously Mr. Walker had been able to get caught up. Mr. Henderson informed Mr. Walker and the board that a renewal of his Lease ending June 30 would not be recommended if the circumstances continue. Further drastic action could be contemplated next month. It was requested that a copy of Mr. Walker's current Lease be sent to all board members.

5. Operations Reports: April 2012

Airport operations: Josh Lewis of Landmark reported he had just signed a new jet to come to Waukegan. Also, he had donated space to Air-One helicopters. Although space to Air-One is rent fee, they will purchase fuel. Mr. Henderson added that Air One has a Huey and a OH58 on the northwest side of the field. Air-One provides air support to local police agencies, they are an all volunteer group falling under the auspices of Homeland Security. The U.S. Coast Guard will also stay in Waukegan. Fuel delivery is off by ten percent and customs are good.

Harbor operations show fuel sales are off significantly as are launch ramp figures. Frequently occupancy goes up after June 1 with expectations of a prorated fee. We had a 65' boat arrive at its slip just last week. Fuel sales are challenged by Wisconsin lower fees.

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

Harbor - Unfinished Business

8. South Marina Entrance Shoal Removal

Last meeting the board authorized additional funds to dredge South Marina's entrance. The Contractor went over the additional amount by \$21,000. We are not obligated by Contract to pay that overage, but he did remove the material. Mr. Henderson recommended payment. This is all cost. Board members confirmed with staff that the \$21,000 is an extra value and is a useable value. Traditionally the contractor comes in under his bids and he is a tenant.

On motion of Mr. Johnson to approve payment, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried. Mr. Johnson added that we need to give a ten percent management leeway in future matters.

9. Status Reports

Dredging of the North Harbor Approach Channel should start next week.

Harbor - New Business

None

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

Closed Session:

10. Negotiation / Value of Property Matters pursuant to 5 ILCS 120/2 (c) (6) of the Open Meetings Act.

Open Session

11. Negotiation / Value of Property Matters pursuant to 5 ILCS 120/2 (c) (6) of the Open Meetings Act.

No action taken.

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

APPROVED:

  
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JORGE M. TORRES, Chairman

  
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DALE R. JOHNSON, Secretary