

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

**March 20, 2013**

**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  
Mike Melius

**The following Board member was absent:**

Dale Johnson  
Randy Podolsky

**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  
Barney Baker, Airport Maintenance Supervisor

**Others in attendance:**

Grant Farrell, Waukegan Regional Airshow  
Josh Lewis, Landmark Aviation

1. Call to Order

Mr. Torres called the meeting to order at 2:00 PM. Mr. Torres called for the nomination of a new Treasurer; and temporary Secretary because Mr. Binning had resigned and Mr. Johnson was absent.

2. Election of Treasurer and Temporary Secretary

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

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

Mr. Morris arrived at the meeting.

### Harbor - New Business

#### 3. Approval of South Marina Dredging Operation and Expense

Low water and littoral drift have necessitated dredging to accommodate boaters in South Marina. An application has been pending for a ten year annual navigational dredging permit, which requests approval of lake bottom nourishment with the dredged sediment. After 13 months, the Army Corps has passed it on to the IEPA for their review. Until that permit is approved, we can proceed under our 2007 construction permit which is still valid. The 2007 permit requires upland disposal. The USEPA still needs clean fill at their OMC Superfund site.

Mr. Henderson requested approval of a sum not to exceed \$300,000 for dredging with disposal of the material at the OMC Site until the lake bottom nourishment permit is granted. Upland disposal will limit the amount of dredging that can be done, which may require a future request for more funding, but given the ability to utilize USEPA's OMC site, it is the closest, least costly, disposal site. Mr. Melius asked timing and funding questions. Mr. Henderson answered the project needed to start thirty days ago, and while we anticipated dredging in the budget, it is a capital item which is not funded. Lake levels are at the lowest level in recorded history. In the past the Port District dredged about \$100,000 annually. After the 2007 construction, dredging was not immediately needed and was eliminated in order to save money. Mr. Benavides inquired about procurement of the contractor. Two had submitted estimates and were both within a few dollars. Mr. Torres inquired and was told the funds would come from reserves.

On motion of Mr. Melius to approve dredging of South Marina for a sum not to exceed \$300,000, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

#### 4. Approval of Regular Board Meeting Minutes of February 20, 2013

On motion of Mr. Melius to approve Minutes of February 20, 2013, seconded by Mr. Legat, all members present voted aye and the Chairman declared the motion carried.

#### 5. Approval of Closed Session Minutes of February 20, 2013

On motion of Mr. Legat to approve Closed Session Minutes of February 20, 2012, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.



6. Approval of checks.

After discussion, on motion of Mr. Melius to approve checks, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

7. Financial Reports: February 2013

Mr. Henderson summarized revenues and expenses comparing 2012 to 2013. The \$20,000 upswing in lease revenue at the airport is due to timing of payments. Harbor revenues are off in slip income. Boaters have been slow to return contracts. Harbor expenses are up due to liability insurance for the docks.

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

8. Operations Report: February 2013

Airport local operations are off 18% primarily due to weather. Landmark is off about seven percent on fuel. Mr. Henderson inquired of Mr. Lewis, Landmark Aviation, why Stick & Rudder had fuel figures for February as he understood they purchased their fuel from Landmark. Mr. Lewis responded they vary their purchasing choice. Customs are off slightly.

On motion of Mr. Melius to approve the Airport Operations Report, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

Airport – Board/Public Commentary

Grant Farrell of the Waukegan Regional Air Show announced their plans to honor Vietnam veterans this year. They were considering various incentives to entice veteran attendees. They hope to have a SAR mission. Dates are being worked out with Mr. Lewis and Landmark Aviation.

Josh Lewis reported Landmark is hosting the NBAA Regional Event which will be September 12. Mr. Lewis is also vying to be the airport of choice for the Conway Farms Golf Event which will be September 12-15. Coordinating those events with the Air Show would be a challenge. Mr. Lewis is working with Net Jets to get the golf event business.

Mr. Lewis also reported their Big Delta hangar is full. He has a Leer 60 and Falcon 50 coming in, but Kenosha is competing for the business. Needing more space, he was looking at improvements to Hangar D3 which is not connected to City water. The Coast Guard helicopter may be going to that hangar. It would cost \$80,000 for a water connection. We also may need fire suppression for the Coast Guard. Mr. Lewis will present a written request for a review of possible remedies to Mr. Henderson.

Airport - Unfinished Business

9. Status Reports

Deferred until after item 10.

Airport - New Business

10. Standard Agreement for Consultant Services for Construction Phase Services for a sum not to exceed \$106,500.00 for Project: Rehabilitate and Widen Taxiway C and Associated Exit Taxiways, Phase 1, UGN 4189

This Agreement is required by the Illinois Division of Aeronautics and is eligible for 90% reimbursement through the Airport Improvement Program.

On motion of Mr. Melius to approve the Standard Agreement for Consultant Services, seconded by Mr. Benavides, all members present voted aye and the Chairman declared the motion carried.

Airport - Unfinished Business

9. Status Reports

Jim Stanczak reported on snow removal costing \$14,000 in fuel alone. Customs agent furloughs have been considered and will not affect service. Reference our Tower, Senator Moran is trying for an amendment on a continuing resolution which is still pending. CABAA panel has discussed towers, sequestration, and a maintenance agreement. Taxiway C project is moving ahead reference the Agreement for Construction Services just approved. Mayor says grade separation will be approved. Fast moving and slow traffic mix is a big concern without a Control Tower.

Mr. Henderson explained the airport will stay open even if the tower closes. Privatization of the tower would cost about \$600,000 annually, Waukegan's Tower is scheduled to close April 7.

Mr. Legat departed during Status Reports.

Harbor- Board/Public Commentary

None

Harbor - Unfinished Business

10. Status Reports

Mr. O'Dell is waiting for good weather while readying the marina for the season.

Mr. Henderson reported he and Chris Peters would be attending the Interagency Port Working Group in Springfield next week. Bill Hults would forward information we have previously requested in a couple of days. Michelle Bowers sent a request which we will review next month. LaFarge will continue to pay their Lease; when the harbor channel opens, they could resume operations. LaFarge's three pack will remain open, only the twelve pack facility is being shuttered.

Closed Session:

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

None

Open Session

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

There being no further business, on motion of Mr. Melius 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