

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

January 15, 2014

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

Board Members Present:

Jorge Torres, Gene Bach, Randy Podolsky, Joe Legat

Board Members Absent:

Dale Johnson, Mike Melius, Grant Farrell

District Counsel Present:

Thomas A. Morris, Jr.

Staff Present:

Chris Peters, Jamie O'Meara, Jim Stanczak, Brion O'Dell, Barney Baker, Terri Hatton

Other Attendees:

Brad West, Billy McCaffrey, Barb Gunther, Frank Bucaro, Josh Lewis, Jim Goebel
and Rick Bentley

1. Call to Order

Mr. Torres called the meeting to order and requested a nomination to appoint an acting secretary for the meeting. Mr. Podolsky volunteered to act, and upon his motion seconded by Mr. Legat, all members present voted aye and the Chairman declared Mr. Podolsky the acting secretary of the meeting.

2. Approval of Closed Session Meeting Minutes of November 20, 2013

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

3. Approval of Special Meeting Minutes of December 12, 2013

On motion of Mr. Bach to approve the Special Meeting Minutes of December 12, 2013, seconded by Mr. Legat, Messrs. Bach, Legat and Torres voted aye. Mr. Podolsky abstained, and the motion was carried.

4. Approval of Regular Board Meeting Minutes of December 18, 2013

Mr. Podolsky made voice corrections to the Minutes presented. On motion of Mr. Podolsky to approve the Minutes as corrected by him and Mr. Morris, seconded by Mr. Legat, all members present voted aye and the Chairman declared the motion carried.

5. Approval of Closed Session Meeting Minutes of December 18, 2013

Mr. Bach made a voice correction to the Minutes presented. On motion of Mr. Podolsky to approve the Closed Session Meeting Minutes of December 18, 2013 as corrected by Mr. Bach, seconded by Mr. Legat, all members present voted aye and the Chairman declared the motion carried.

6. Approval of checks.

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

7. Financial Reports: December 2013

Ms. O'Meara advised the board due to time constraints, the December reports are not final year end numbers. The year end review is in progress.

Mr. Torres inquired of Mr. Stanczak if wages were up at the airport due to snow removal and was answered yes.

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

8. Approval of Property and Casualty Insurance Renewal

Mr. Torres complimented Mr. West for a nice job with the insurance renewal proposals. Mr. West presented a verbal summary for the board. He asked for board direction with regard to the quote from ACE for airport liability insurance. Their quote was higher this year while he had received a new lower proposal from QBE. QBE has a rating of A+, and is quoting \$11,000 less than ACE. The company has only been in business for two years, but with their A+ rating, he felt the coverage was comparable to ACE and should be considered. After thorough discussion including whether ACE could match the quote, and whether QBE would guarantee the rate for 2-3 years, both of which were answered no, it was concluded to renew with QBE.

On motion of Mr. Podolsky to approve the Property and Casualty Renewal presented with the change to QBE for airport liability, seconded by Mr. Legat, all members present voted aye and the Chairman declared the motion carried.

9. Executive Director

Mr. Torres announced that he would like to post an advertisement for a new Executive Director. He presented a draft ad for review by the board members and further discussion at a later date.

Airport – Board/Public Commentary

Josh Lewis announced he had transferred to Oakland, California after 16 years in Waukegan. Frank Bucaro will take over Landmark's Waukegan operations. Mr. Lewis would continue monitoring the Lease re-negotiations previously requested and reported Landmark's corporate offices had agreed to take on the draft proposal.

Mr. Torres reported a meeting had been scheduled to meet with the new Forest Preserve Director in an effort to achieve an understanding with the runway replacement.

Airport - Unfinished Business

None

10. Operations and Status Report

Mr. Stanczak reported that snow events occur on weekends and holidays. General Aviation News had interviewed him on recent budgeting and funding announcements. There were two significant breakdowns with snow removal equipment, which were repaired in house.

Operations show fuel is down in low lead which is reflected in revenue and expenses on fuel delivery. He handed out a fuel price comparison list. Customs picked up a bit last month.

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

Airport - New Business

None

Harbor– Board/Public Commentary

Mr. Torres presented a status Memo from Tom Thomas, our Environmental Consultant relative to the shoaling and permitting at the North Harbor entrance. Mr. Thomas is working both for the City of Waukegan and the Waukegan Port District in this endeavor.

Harbor - Unfinished Business

11. Operations and Status Report

Ms. O'Meara presented the South Harbor Dredging History. Prior to 2006 dredged material was disposed into the lake. The terms of our current permit require upland disposal. Upland disposal is significantly higher priced than in lake disposal. Ms. O'Meara recommended a budget amount of \$150,000 annually for dredging. Mr. O'Dell advised until weather permits, we will not know whether dredging will be required this Spring. He had been in contact with Gillen about their availability for soundings and they should be able to do them within 1-2 days upon request. Mr. O'Dell requested a sum be made available to dredge when we know the situation. Mr. Podolsky suggested \$50,000 be authorized for dredging in Spring of 2014. The matter will be placed on the February agenda for action.

12. Waukegan Yacht Club

The Yacht Club had requested that a promotional opportunity be handed out at the boat show by Port District staff. The promo was passed out and explained as an opportunity for boaters to receive a free membership for one year at the Club so long as they met the minimums each month. The Club hoped to garner members through the promotion. Mr. O'Dell and Ms. Hatton advised they were working with the club on the handout for the show.

Mr. Podolsky advised he had negotiated the Lease presented with Billy McCaffrey, as a representative of the Waukegan Yacht Club and its legal counsel, John Henderson, with Mr. Morris' assistance. The lease rates were previously approved by this board. He advised there is one last change that needs to be made at paragraph 38 on the notice provision. Mr. McCaffrey introduced the new Commodore of the Club, Barb Gunther. Commodore Gunther requested that all notices be addressed to the P.O. Box and to their attorney, John Henderson. She was advised that provision was in the Lease.

Mr. McCaffrey advised that the Yacht Club board would need to ratify the Lease at their next meeting which should be a formality. Upon approval, the Club will tender February rent and the security deposit simultaneously.

On motion of Mr. Podolsky to approve the Lease with Waukegan Yacht Club with the change in the notice provision from four months to six months, seconded by Mr. Legat, all members present voted aye and the Chairman declared the motion carried.

13. North Pier Gate

Mr. O'Dell had updated the "wish list" for harbor amenities and handed out copies. He also advised he had contacted and given specs for the North Pier Gate to Wilson Contracting. He was waiting to receive that proposal. The matter was held over to February. Mr. Podolsky also advised that as requested, he had gone back to K&K for a revised proposal based on the District's purchasing policy and previous discussions.

Harbor - Unfinished Business (cont.)

Mr. O'Dell reported discussions with Hayes Mechanical and Ontario Trap Rock continue. Ontario uses a 600' ship and there are concerns about the concrete pad in front of Commercial Dock. Hayes will probably happen. Mr. Bach reported fees had not been determined. The District does not have any tariffs, rates or charges published. He noted that we must comply with federal regulations, and he intended to have a fee schedule within a month. Mr. O'Dell reported he had researched Milwaukee's charges and based his number of \$1,000/day on those conclusions.

Mr. O'Dell further reported winter upgrades were in progress at the marina. He had pending interviews for a new security chief. Also, he had met with Susie Schreiber from CAG and was optimistic about grant funding opportunities.

Mr. Podolsky inquired if Mr. O'Dell was targeting some wish list items and which ones and when would they be implemented. Mr. O'Dell reported landscaping projects are intended to be complete by the end of April and first of May. No progress had been made on Wi-Fi. Mr. O'Dell stated he would like to replace the lobby floor.

Mr. Podolsky did not see that as a priority. Mr. O'Dell is also working with CAG and the Yacht Club on funding sources for floating docks at the launch ramps.

Mr. Torres reported the City has a Zipcar location at the train station and he wanted to make sure boaters knew it was available. He reported he had requested another one for the harbor specifically but was awaiting a response. Mr. Torres was also working on beach passes for boaters. He asked that the Port website advertise Zipcars, beach access and courtesy shuttles to the beach and club.

Mr. O'Dell was asked to get a landscaping plan in place and to email the wish list to Mr. Torres.

Mr. Bach inquired about a boundary map of the harbor area. Mrs. Peters' responded we do not have the entire area in a survey. A new survey would likely be cost prohibitive. She reported the County Tax Maps are the best source of property lines and dimensions or perhaps Google Earth. Messrs. Bach and Podolsky asked Mrs. Peters to get some kind of a current aerial diagram of the harbor area for the board at some time in the future.

On motion of Mr. Legat to go into Closed Session, seconded by Mr. Bach, on a roll call vote, Messrs. Podolsky, Bach, Torres and Legat voted aye, the Chairman declared the motion carried.

Closed Session:

- 14. Personnel Matters pursuant to 5 ILCS 120/2 (c) (1) of the Open Meetings Act.**

Open Session

- 15. Personnel Matters pursuant to 5 ILCS 120/2 (c) (1) of the Open Meetings Act.**

None

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

APPROVED:



JORGE M. TORRES, Chairman



GRANT B. FARRELL, Secretary