

MINUTES OF REGULAR BOARD MEETING
OF WAUKEGAN PORT DISTRICT

April 15, 2015

55 S. Harbor Place, Waukegan, Illinois
Harbor Control Building

The following Board members were present:

Jorge Torres
Mike Melius
Gene Bach
Joe Legat
Grant Farrell
Randy Podolsky

The following Board members were absent:

None

District Counsel Present:

Thomas A. Morris, Jr.

Members of the Port District Staff present:

Randy Rogers, Executive Director
Jamie O'Meara, Chief Accountant
Jim Stanczak, Airport Manager
Terri Hatton, Slip Coordinator
Joe Seidelmann, Marina Maintenance Supervisor
Tiffany Long, Office Assistant

Others in Attendance:

William McCaffrey, Waukegan Yacht Club
Kathy Larsen-Sivia, Waukegan Yacht Club
Samuel Soranno, Waukegan Yacht Club
Shai Lothan, 130 N. Genesee, LLC
Ron Hudson, Hansen Engineering
Ray Czjakowski,

1. Call to Order

Chairman Torres called the meeting to order at 2:00pm

2. Roll Call

3. Pledge of Allegiance

4. Chairman Remarks

Mr. Torres reported to the Board that by the next board meeting he will have Waukegan Beach passes for the Marina to loan out to boaters.

5. Approval of Regular Board Meeting Minutes of March 18, 2015

On motion of Mr. Farrell to approve the March 18, 2015 minutes, seconded by Mr. Legat, all members present voted aye and the Chairman declared the motion carried.

6. Approval of Checks

After review, on motion of Mr. Podolsky to approve the March 2015 checks, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried.

7. Financial Reports: March 2015

Ms. O'Meara reported that the financials are tracking normally for this time of year. The Marina has made great strides with slip occupancy, getting a lot of new and returning boaters in the harbor now that the weather has been improving. There are no issues to report on the aging reports and the updated reserve statements still show we have some work to do to reach our goal to maintain one-year operation.

On motion of Mr. Podolsky to the March 2015 financial reports, seconded by Mr. Melius, all members present voted aye and the Chairman declared the motion carried.

8. Bidding of Professional Services

Mr. Torres stated that the topic of professional services has been discussed in the past and was brought to his attention again. He explained that professional services are services like insurance, auditing, and legal counsel and then opened the table for discussion. When auditing services were bid out three years ago our current firm was extremely competitive. It was determined that in August/September staff will discuss our insurance needs with additional brokers to ensure we are getting the best recommendations; the board is generally pleased with legal services at this time so no immediate action is needed on pursuing other legal services, however, we will review and discuss every year.

General Manager Remarks

- Mr. Rogers informed the board that the harbor Wi-Fi for the slipholders has been installed and is up and running.
- He is working with the government relations folks from some of the corporate tenants to putting together a stakeholder meeting at the airport to talk about ongoing projects such as the runway extension and customs facility.
- Unfortunately the deal we were working on to bring in 18,000 tons of aggregate is not going through because we cannot accommodate their draft.
- The Army Corps of Engineers are staging their barges and have indicated they are on target for a May 1st start date to dredge the approach channel and the outer harbor; this project should be completed this year. As soon as the dredging is completed, both LaFarge and

National Gypsum have indicated they are ready to restart their shipping. We intend to make this a big event, inviting VIPs to celebrate the re-opening of the commercial harbor after two years.

Harbor – Board/Public Commentary

None

Harbor - Ongoing Business

9. Harbor Operations Report-March 2015

Ms. O'Meara informed the board that seasonal launch permits have increased for the month of March 2015 over 2014 due to the fact that this year the ice melted mid-March, allowing more boaters earlier access to the lake. Slip rentals are moving along as well. Ms. Hatton mentioned that even though we are down about 25 boats from last year, recently the harbor is getting quite a bit more new and returning boaters due to the nice weather. Mr. Bach inquired about the environmental emergency plan the harbor has in place. Mr. Seidelmann responded that we do have an emergency spill plan that is located in the maintenance shop, harbor office, and gas dock. Mr. Bach suggested this be available online and Mr. Rogers agreed and stated it will be updated and posted.

On a motion of Mr. Melius to accept the harbor operations report, seconded by Mr. Farrell, all member present voted aye, and the Chairman declared the motion carried.

10. Harbor Status Report

Mr. Seidelmann informed the board that the water has been turned on throughout the harbor but that there are some leaks which maintenance is repairing; the north pier gate has been repaired and we are waiting for weather more conducive to painting. The south pier dock damaged by the ice is about 95% repaired; the pier does need one last push in order to be straightened completely but we do not have strong enough equipment to do so. When Gillen comes to repair the broken pier on N10 they will use their tug to push the pier back into place and this will finish the job. Mr. Seidelmann then presented the bid for the floating patio requested by the board. After discussion it was determined that we should call for a special meeting in order to vote on the project.

11. Dockside Dog Lease

Ms. O'Meara informed the board that Mr. Guzman reviewed the proposed 5 year lease he had requested for Dockside Dogs. He came back with a number of changes for the Port to discuss. The construction will not start until next year due to the fact that he does not want to close the business during the summer months for the construction. He expects to start construction in the Fall. Staff will review his requests and continue discussions with Mr. Guzman.

Harbor - New Business

12. Waukegan Harbor Arts Festival

A group headed by Le'Quionne Rice is requesting the use of Port District property for a

multiple day arts festival in August. Since he was not present to make a presentation to the board, the festival was tabled until the next board meeting, pending harbor staff making a recommendation to the board after talking with Mr. Rice.

13. Waukegan Yacht Club Food Services

Mr. McCaffrey, Mrs. Sivia, Mr. Soranno, and Mr. Lothan presented an agreement that the Yacht Club members had approved to bring in 130 North Genesee LLC to run their food and beverage services beginning May 1st. After much discussion it was determined that a special meeting will be called to determine whether the lease needs to be modified, and to take action on the request.

In addition, Mr. Soranno spoke to our request for financials, offering the WYC Quickbooks reports in the interim pending availability of audited financials.

14. Harbor Playground

Mr. Rogers stated that the harbor staff has been investigating prices for a playground. We have also had a discussion with CAG regarding the possibility of available grants if an educational component is incorporated into the design. Mr. Seidelmann shared the pricing gathered to date. Upon request of Mr. Melius, Mr. Rogers will check with our insurance company for proper coverage. It was determined that the project shall move forward, keeping the board informed of its progress.

Airport – Board/Public Commentary

Mr. Farrell mentioned that he had forwarded a press release from the State of New York to Mr. Rogers and Mr. Stanczak regarding the elimination of a corporate sales tax on the sale of airplanes. He requested staff look into lobbying the State of IL officials to do the same as taxes were a big reason we recently lost one of our largest corporate tenants.

15. Airport Operations

Mr. Stanczak reviewed the March 2015 Operations report with the Board, specifically noting the drop in fuel sales for Landmark Aviation which can be directly tied to the loss of the major corporate tenant previously mentioned by Mr. Farrell. On motion of Mr. Melius to approve the Airport Operations reports, seconded by Mr. Farrell, all members present voted aye and motion passed.

16. Airport Status Report

Mr. Stanczak reported to the Board that we had four bids for the asbestos removal RFP, and recommended the lowest bid be approved. Other projects: Phase II of the fencing project is closing out and Phase III is ramping up; Taxiway A emergency repairs is moving forward; there are two farmers interested in the hay cutting in our fields across Green Bay Rd; Maintenance is transitioning snow equipment to mowing equipment; there are ongoing discussions with a neighbor who has a number of concerns; the Airport Layout Plan has been amended slightly to accommodate the construction of three box hangars for future development.

Mr. Hudson updated the Board on current and future construction plans. He specifically asked if the Board needs to approve the contract with the contractor for the asbestos

removal plan. After a brief discussion it was determined the specific approvals would be included in the Special Meeting to be called next week.

17. Stick & Rudder Lease Agreement

Stick & Rudder requested this issue be tabled at this time.

18. Approve Closed Session Minutes of February 18, 2015

On motion of Mr. Podolsky to approve the minutes with an amendment by Mr. Bach to read there is a need to maintain the WYC as a social entity, and seconded by Mr. Farrell, all members present voted aye and the motion passed.

19. Approve Closed Session Minutes of March 18, 2015

On motion of Mr. Podolsky, to approve the minutes, seconded by Mr. Farrell, all members present voted aye and the motion passed.

On motion of Mr. Melius to go into Closed Session, seconded by Mr. Farrell, on roll call vote, all members present voted aye and the meeting entered Closed Session at 3:30pm.

Closed Session

Open Session

The Board reconvened in open session at 3:48.

On motion of Mr. Podolsky to approve implementation of the personnel restructure with the salary structure discussed, seconded by Mr. Farrell, on roll call vote, all members present voted aye.

In discussion it was determined that no vote in open session in March had occurred regarding changing the job title for Mr. Rogers to Executive Director. On motion of Mr. Farrell to make the title change official, seconded by Mr. Podolsky, all members present voted aye.

There being no further business, on motion of Mr. Legat to adjourn the meeting, seconded by Mr. Melius, all members present voted aye, and the Chairman declared the motion carried. The meeting adjourned at 3:55.

Grant B. Farrell, Secretary

APPROVED:

Jorge M. Torres, Chairman