

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

July 15, 2015

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

The following Board Members were present:

Grant Farrell
Jorge Torres
Randy Podolsky
Gene Bach

The following Board Members were absent:

Michael Melius
Joseph Legat
Thomas Evers

District Counsel present:

Thomas A Morris, Jr.

Members of the Port District Staff present:

Randy Rogers, Executive Director
Jim Stanczak, Airport Manager
Barney Baker, Airport Maintenance Supervisor
Jamie O'Meara, Director of Operations
Terri Hatton, Slip Coordinator
Joe Seidelmann, Harbor Maintenance Supervisor

Others in attendance:

Frank Bucaro, Landmark Aviation
Michael Hark, Hutchinson, Shockey, Erley & Co.
Enzo Incandela, Ice Miller, LLP

1. Call to order by Chairman Farrell at 2:00 PM.

2. Roll Call

Messrs. Farrell, Podolsky, Bach and Torres answered present.

3. Chairman Remarks

Chairman Farrell reported he recently held a staff meeting to introduce himself and set expectations for the Staff. After the meeting he accompanied Mr. Rogers and Mr. Seidelmann

on a site tour of the marina and developed a punchlist. He will be doing this regularly as he feels “feet on the ground” is important. He encouraged fellow Board members to do the same.

4. Approval of Regular Board Meeting Minutes of June 17, 2015

Mr. Stanczak pointed out a correction in his report: it will be the Beach Park Fire Department, not the Waukegan Fire Department, conducting exercises in the homes to be demolished.

On motion of Mr. Bach to approve Regular Board Meeting minutes of June 17, 2015, seconded by Mr. Podolsky, all members present voted aye, and the Chairman declared the motion carried.

5. Approval of Closed Board Meeting Minutes of June 17, 2015

On motion of Mr. Podolsky to approve Closed Board Meeting minutes of June 17, 2015, seconded by Mr. Bach, all members present voted aye, and the Chairman declared the motion carried.

6. Approval of Checks – June 2015

Mr. Torres posed questions on four checks which Ms. O’Meara and Ms. Hatton clarified.

On motion of Mr. Podolsky to approve June 2015 checks, seconded by Mr. Torres, on a roll call vote all members present voted aye, and the Chairman declared the motion carried.

7. Financial Reports – June 2015

Ms. O’Meara reviewed each report.

There was discussion on two line items: Slip Refunds, with board members wanting more clarity on what comprises the revenue; and Membership, Dues, Conference, and Education with the Board discussing any expectation of additional expenses as we are presently over budget. On motion of Mr. Torres to approve the financial reports of June 2015, seconded by Mr. Podolsky, on a roll call vote, all members present voted aye and the Chairman declared the motion carried.

Executive Director Remarks

Mr. Rogers updated the Board on the personnel restructuring in progress, noting that Ms. Jamie O’Meara has been hired as Director of Operations and we expect to have the Port Administrative Assistant hired by the end of the week. Interviews for other positions are ongoing.

We are still waiting for a response from Landmark on their request to consolidate their numerous leases.

The National Gypsum seawall repairs are moving forward. Their second ship of the season came in and had a turn-around of ten hours.

The U.S. Army Corps of Engineers is working on a long term solution to the silting problem and has asked for a Letter of Intent to support their development plans. The Mayor has agreed to partner with the Port District; we are awaiting a letter from his office.

In our fencing project at the Airport we have run into an issue with one of the subcontractors cutting trees on the neighbors' properties. We are working with our engineering firm, Hanson Professional Services, to review and correct any property line errors as well as determine any restitution due the property owners. As a note, this is a subcontractor error and they are responsible for restitution.

We continue to work closely with US Customs and Border Patrol on a new facility. A goal for completion of the facility has been set for April 2016.

Airport – Board/Public Comments

Mr. Farrell mentioned that the fencing issue at the airport can be tricky as some trees are on both sides of the property line.

Airport – Ongoing Business

8. Airport Operations – June 2015

Mr. Stanczak stated that overall operations as well as fuel sales are up for the year; we have received a request from the FAA for an update on the number of based aircraft and are working on it.

9. Airport Manager's Status Report

Customs Building: Staff was able to meet with the folks from US Customs to discuss more in depth the requirements for the process for the new Customs office building. They have placed an aggressive nine month time frame for completion. There was a general discussion regarding the size requirements, the design, and the bid process.

Fencing Projects: Phase II is compete save for the seeding, which is scheduled for the Fall; Phase III is slightly behind, but crews are working towards on-time completion.

Hangar Sales: There are four hangar sales in process.

Other ongoing projects: Baxter Ramp, Taxiway A, "new" snow brooms should arrive in August.

We have received the plaque for the Willie Card /FAA Contract Tower Service award.

10. Airport Security Fees

Staff is analyzing security fees for all tenants in lieu of the cost coverage language in all leases. A comprehensive report will be presented to the Board at a subsequent meeting.

Harbor – Board/Public Commentary

Mr. Podolsky mentioned that since his last walk through the marina with Staff, a number of items have been taken care of and the overall appearance of the marina has improved; he passes along compliments to the Staff. Mr. Bach mentioned that the entrance road is in need of patching, possible seal coating. Mr. Seidelmann will review.

If the Board should have any recommendations or concerns regarding either the harbor or the airport, please pass along those comments to Mr. Rogers.

Harbor – Ongoing Business

11. Harbor Operations – June 2015

Ms. O’Meara presented the Harbor Operations and the Accounts Receivable Aging Report to the Board. Fuel sales remain down when compared to last year; we are carrying premium diesel and have recently switched back to 89 octane regular fuel per boaters requests.

12. Harbor Status Report

Mr. Seidelmann reported a smooth 4th of July weekend; the S12 gathering space turned out great; he and Staff are moving forward with a checklist of projects.

Mr. Podolsky complimented the staff for two years in a row of great 4ths.

Mr. Torres inquired about the quality of the Staff this year compared to last, to which Mr. Seidelmann responded the skill level is much better.

Harbor – New Business

None

Closed Session

On motion of Mr. Torres at 2:45pm to go into closed session to discuss property matters pursuant to 5 ILCS 120/2 (c) (6), seconded by Mr. Bach, on a roll call vote, all members present voted aye and the Chairman declared the motion carried.

Open Session

The Board reconvened in open session at 3:08pm

14. Action on Property Matters pursuant to 5 ILCS 120/2 (c) (6)

On motion of Mr. Podolsky to extend the current lease terms of the Baxter Healthcare Lease until the September 2015 board meeting pending further negotiations on a lease extension, seconded by Mr. Torres, all members present voted aye and the Chairman declared the motion carried.

There being no further business, on motion of Mr. Torres to adjourn, seconded by Mr. Bach, all members present voted aye and the Chairman declared the motion carried. Board Meeting adjourned at 3:10pm.

JOSEPH J. LEGAT, Secretary

APPROVED:

GRANT B. FARRELL, Chairman