

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

November 15, 2017

**Waukegan National Airport
SRE Bldg. / Admin Bldg. – Conference Room
2601 Plane Rest Drive, Waukegan, IL**

The following Board Members were present:

Gene Bach, Historian
Tom Evers
Grant Farrell, Board Chairman
Joe Legat, Secretary
Mike Melius
Randy Podolsky, Real Estate Committee Chairman

The following Board Members were absent:

Jorge Torres, Assistant Treasurer

The following Board Officer was present:

Bob Hamilton, Treasurer

District Counsel present:

Thomas Morris

Members of the Port District Staff present:

Don Cento, Founders 3 RES, CFO/COO
Alain Giudice, Founders 3 RES, VP of Marina Division
Phil Cook, Founders 3 RES, Mgr. Marina Accounting
Skip Goss F|3 Aviation, General Manager, Airport
Barney Baker, F|3 Aviation, Maintenance Supervisor
Joe Seidelmann, F|3 Marine, Harbor Master
Mary McCarthy, F|3 Marine, Staff Accountant
Cathy Smith, F|3 Aviation, Administrative Assistant
Mary Louise Schram, Recording Secretary

Other Public Attendees:

Ron Hudson, Hanson Engineering Services
Steve Bongiorno, Signature Flight Support

Call to Order

Chairman Farrell called the meeting to order at 2:00 PM.

Roll Call

Pledge of Allegiance

Approval of Remote Participation/Voting

Motion by Mr. Podolsky, second by Mr. Melius:

To approve remote participation for Mr. Evers who is away on business.

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

Chairman Remarks / Founders|3 Real Estate Services / Public Comments

Chairman Remarks

Chairman Farrell reported that the biographies of Board members and officer were posted to the website.

Chairman Farrell reported that members of the Board completed their review of the Purchasing Policy. He noted that it was the consensus of the Board the content was well guided but that it was too voluminous to be efficiently used by staff. Chairman Farrell requested that Mr. Hamilton review and edit to reduce the document into a usable working document for staff to easily reference and reliably implement. Mr. Hamilton accepted the assignment. Chairman Farrell noted that staff have guidelines to follow until the final document is issued.

Chairman Farrell noted that the newsletter was delayed but that they can anticipate that it will be sent by year-end.

Chairman Farrell reported that it was a very busy month. He and Mr. Podolsky met with John Matheson of Founders 3 RES to reconnect and discuss their progress. In addition, Chairman Farrell attended two management meetings of the Port District staff. Chairman Farrell attended the 107 Kick-off meeting hosted by the Army Corps of Engineers (ACE) and emceed by Mr. Podolsky. Chairman Farrell stated that he wanted to give the Board fair warning that the solution for sand management (not the cost of the study) at the Waukegan Harbor will cost more than originally anticipated. Chairman Farrell will be meeting with Congressman Brad Schneider to provide an updated status report on the Airport and Harbor projects. Chairman Farrell is scheduled to meet with GWDC (Greater Waukegan Development Council) to discuss future schedule and events. The City of Waukegan requested that the Waukegan Port District present the Harbor Master Plan to the City Council; Edgewater is scheduled to make the presentation on November 30, 2017, at 5:30 PM in Council Chambers, along with other City plans which will be reviewed.

Chairman Farrell noted that the purchasing policy update prompted considerable discussion about the legal requirements that guide the request for proposal (RFP) process. Mr. Morris provided a letter stating his legal opinion to WPD which, in summary, stated that the rules for the Waukegan Port District may be different than the RFP rules that guide the City of Waukegan as each are independent government agencies with the authority to establish their own policies and procedures. The legal opinion noted that there are three categories that require an RFP: architects, engineers, and land surveys. It also noted that good practice would be to follow the purchasing guidelines outside of the required scope where feasible or applicable, while also outlining that three quotes for every purchase or project is not required. Chairman Farrell will send a copy of the legal opinion letter to the Board. Mr. Morris clarified that the email to Chairman Farrell contained his preliminary response which was then formalized into a more comprehensive letter and that the letter should be sent to the Board members.

Chairman Farrell noted that the boater's survey has gone out and hopes that many boaters reply so that the information collected is valid, reliable, and representative of the group. Mr. Giudice confirmed that the national average response to this type of survey is about 20%.

Chairman Farrell stated that the budget review process has begun and requested that Board members review the proposed budget (working document) and submit their request for changes or explanations to him or Mr. Goss over the next week or two. Chairman Farrell anticipates that the budget will be ready to place on the December Board agenda for approval.

Founders 3 RES Remarks

Mr. Goss asked to speak on behalf of Founders 3 on the topic of insurance, noting that pricing and service are integral components to this year's selection of an agency. This year both West and Wirtz insurance agencies have been asked to submit closed/sealed bids by December 19, 2017. WPD is sending service surveys out to employees who may have contact with insurance agencies to gather their feedback on service levels.

Public Comments - none

Reports of Standing Committees – Real Estate, Banking, and Legal Procurement Committee

Real Estate

Mr. Podolsky stated that there were no updates from the last Board meeting.

Banking

Mr. Hamilton reported that he and Ms. McCarthy met with representatives of three banks to continue their evaluation of where WPD should bank. The three banks under review include NorStates (current), Wintrust, and JP Morgan Chase. Mr. Hamilton stated that they are still in the review process but noted that both Wintrust and Chase have government services sections. Board members asked questions about the process and finer details of what differentiated each bank's ability to be responsive to WPD and Mr. Hamilton provided the detail to respond to each. Mr. Morris advised that the Board vote on the recommended change. Mr. Hamilton stated that he anticipates placing this item on December's Board agenda.

Legal/Procurement Committee

No report for open session.

Approval

- **October 2017 Regular Board Meeting Minutes**

Motion by Mr. Melius, second by Mr. Bach:
To approve the October 2017 regular board minutes.

All members present voted aye and the Chairman declared the motion carried.

- **October 2017 Closed Board Meeting Minutes**

Motion by Mr. Podolsky, second by Mr. Melius:
To approve the October 2017 closed board minutes.

All members present voted aye and the Chairman declared the motion carried.

- **October 2017 Check Approval**

Motion by Mr. Melius, second by Mr. Podolsky:

To approve the October 2017 check approval as presented to the Board.

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

- **October 2017 Financial Report**

Motion by Mr. Melius, second by Mr. Bach:

To approve the August 2017 financial report.

Discussion:

Mr. Bach stated that he had a problem with the Harbor report format and/or methodology but believes if he could meet with staff they could work together to identify and resolve his concerns. Chairman Farrell asked Ms. Smith to coordinate a meeting to include Mr. Cook, Ms. McCarthy, Mr. Hamilton, Mr. Bach, and himself.

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

- **2018 WPD Board Meeting Schedule**

Chairman Farrell noted that the Board will continue to meet on the third Wednesday of each month at 2 PM. He would like to amend the schedule for January 2018 and move the meeting from Wednesday (01/17/2018) to Thursday (01/18/2018) at 2 PM.

Motion by Mr. Podolsky, second by Mr. Evers:

To approve the 2018 WPD Board meeting schedule as submitted with the amended date change for January of 01/18/18.

All members present voted aye and the Chairman declared the motion carried.

Airport General Manager Remarks (Operations/Status Report)

Mr. Goss reported that the draft LCFPD letter is completed and he will be meeting with them and the FAA to discuss environmental matters and progress.

Mr. Goss and Chairman Farrell will meet with Congressman Brad Schneider next week to provide an update of projects and proposals affecting the Airport and WPD in general.

Mr. Goss reported that IDOT has scheduled an open house to review the widening of Green Bay Road tomorrow, 4 PM, at Beach Park Middle School and that WPD is on the agenda. This is the end of Phase I and their environmental studies are done, and they are taking public comments. This will be followed by the design and construction phase. The area affecting the Airport is not currently on the IDOT five-year plan. For now, this timing aligns with the Airport plans.

Mr. Goss reported that a winter operations meeting is scheduled for this Friday at 10 AM for tenants and corporate users of the Airport. The Runway Safety Action Team is an annual activity required by the FAA.

Mr. Goss reported on the Lake County Veteran's Memorial Plaza noting that the website is up and accepting donations and that the F111-A will be mounted by next month. Mr. Goss distributed a promotional piece to the Board regarding donations and 'bricks' recognition.

Mr. Hamilton recognized the Podolsky family's generous donation of \$10K directed to the F111-A fund toward construction of the plaza. Mr. Podolsky thanked the Board for the recognition and stated that moving forward, this will be a matching grant opportunity for the F111-A committee.

Unfinished Business - none

New Business

- a. Approval of Baxter expansion plan

Baxter is widening their hanger to accommodate a larger aircraft. They will be widening the apron and the hangar door. All permits and documentation are in and they are seeking authorization to commence work. Mr. Hudson described the details of the project and assured the Board that it would have no adverse effect on the new runway. The current building and proposed building are considered an "obstruction" to navigation and will require adding lights to the building.

Motion by Mr. Podolsky, second by Mr. Melius:
To approve Baxter's expansion plan as presented.

All members present voted aye and the Chairman declared the motion carried.

- b. Approval for Demolition of 5 parcels, Airport Improvements – Capital budget

Motion by Mr. Podolsky, second by Mr. Bach:
To approve funds of \$19,883.56 from capital budget for final payment to Campanella.

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

Board Comments - none

Harbor General Manager Remarks (Operations/Status Report)

Mr. Seidelmann reported that winterization continues at the Harbor with three boats remaining to be removed. They are paying mooring fees until removed. There are ten new boaters from the targeted marketing area (marinas south of Waukegan). Currently, there are 66 returning boaters, which is less than last year, but Mr. Seidelmann noted that the contracts went out later this year (due to Ms. Hatton's surgery) and he expects that number to grow. He welcomed Ms. Hatton back.

Unfinished Business - none

New Business

- a. Approval for fish cleaning station pavilion – Not to exceed \$16,000.00.

Mr. Seidelmann reported that three quotes were received and evaluated. The product recommended by Edgewater was selected and a picture was presented to the Board.

Motion by Mr. Podolsky, second by Mr. Melius:

To approve funds for the fish cleaning station pavilion not to exceed \$16,000.00.

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

- b. Approval for North Harbor Gate reconfiguration – Not to exceed \$27,000.00

Mr. Seidelmann reported that the idea is to replace the main gate but keep two of the piers private by creating two gates (to replace one) at the heads of B dock and C dock. He is working with a local company that specializes in this type of design. The design will provide continuity of style. There will be new key card readers to improve safety and security and there will be a key card update to the washroom facility. This change will also allow improved public access to the main pier. This change aligns and supports the master plan.

Motion by Mr. Podolsky, second by Mr. Melius:

- c. To approve funds for the North Harbor Gate reconfiguration – Not to exceed \$27,000.00.

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

- d. Site Improvements between Bay Marine and ADA Launch

Mr. Seidelmann reported that this small piece of land is the last unimproved parcel and is located between the ADA launch (kayak launch) and Bay Marine. The area will be upgraded to maintain the look and feel to align with other improvements (paving, curb, dirt, and sidewalk). This will complete the overall project and is on WPD property.

Motion by Mr. Podolsky, second by Mr. Melius:

To approve funds for site improvements between Bay Marine and ADA Launch not to exceed \$9,500.00.

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

Board Comments – none

Closed Session at 2:55 PM

- **Personnel Matters To 5 ILCS 120/2 (c)(1) of the Open Meetings Act**
- **Property Matters To 5 ILCS 120/2 (c)(1)(11) of the Open Meetings Act**

Motion by Mr. Podolsky, second by Mr. Melius:

To move to closed session for the purpose of discussion related to personnel 5 ILCS 120/2 (c)(1) and property matters 5 ILCS 120/2 (c)(1)(11).

On a roll call vote, all members present voted aye and the Chairman declared the motion carried.

Open Session at 3:55 PM

Reconvened into Open Session at 3:55 PM.


Present: Chairman Farrell, Mr. Bach, Mr. Hamilton, Mr. Melius, Mr. Podolsky,

Adjournment – 3:55 PM

Motion by Mr. Podolsky, second by Mr. Melius:
To adjourn.

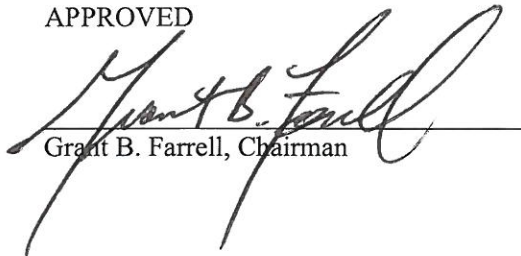
All members present voted aye and the Chairman declared the meeting ended.

Meeting adjourned at 3:55 PM



Randy D. Podolsky, Assistant Secretary

APPROVED



Grant B. Farrell, Chairman