

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

September 20, 2017

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

The following Board members were present:

Gene Bach, Member & Historian
Tom Evers, Member
Grant Farrell, Board Chairman
Bob Hamilton, Treasurer
Joe Legat, Member & Secretary
Randy Podolsky, Member & Assistant Treasurer
Jorge Torres, Member & Assistant Treasurer

The following Board members were absent:

Mike Melius, Member

District Counsel:

Thomas Morris

Members of the Port District Staff present:

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

Other Public Attendees:

Jose Guzman, Dockside Dogs, Harbor Tenant
Tom McIntosh, Harbor Tenant
Mark Costa, Signature Flight Support
Clint Kummer, Signature Flight Support, Regional Vice-President

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. Torres, second by Mr. Legat:
To approve remote participation for Mr. Evers and Mr. Podolsky

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

Chairman Remarks / Founders 3 RES / Public Comments

Chairman Remarks

Chairman Farrell reported that the purchasing policy will be on the October 19, 2017, agenda. Chairman Farrell updated the Board that there are still two members who need to submit their biographies to Ms. Smith noting that goal is to have the biographies upon on the website before the next Board meeting. Chairman Farrell reported that he has asked Mr. Hamilton to chair the committee to review the responses received to the legal services RFP. Mr. Evers has also agreed to serve on this committee.

Mr. Farrell turned the floor over to the representatives from Signature Flight Support (SFS) to update the Board.

Mr. Costas (SFS) thanked the Board for allowing him to address their concerns regarding fuel pricing at Waukegan Airport and thanked Mr. Goss and Mr. Centro for their contributions to the discussions. Mr. Costas reported that as of this morning, the cost of gas was reduced to \$4.81 per gallon, noting that this is less than \$0.51 less than the closest competitor, the Kenosha Airport.

Mr. Costas also noted that there has been a problem with the equipment for self-serve dispensing. Mr. Costas stated that if there is an out-of-service problem at the self-serve pump, then Signature will honor the self-serve fuel price at the full-serve pump.

Mr. Hamilton inquired about the tie-down fees.

Mr. Costas stated that Signature will review the fees.

Mr. Farrell asked about the fuel pricing for Jet-A.

Mr. Costas stated that Signature is reviewing the boutique/network pricing for tenants, noting that if tenants travel within the network that arrangements can be made to participate in a lower cost fuel option, which is generally about 10% less than retail cost.

Mr. Farrell continued his remarks, noting that he is developing a newsletter to be mailed twice yearly to provide community outreach and information. This would be in addition to his one-to-one outreach to City and County trustees and other officials.

Mr. Farrell announced that Mr. Tom Ceparski resigned as the Harbor General Manager.

Mr. Farrell stated that over 20,000 people viewed the Northern Illinois Airshow hosted at the Waukegan Airport on Saturday, September 9, 2017. Mr. Tom Coogan, President of the Northern Illinois Airshow, submitted a report to summarize the event and the official program. Both were included in the Board packet and are on file. Mr. Farrell stated that it was a great day and community event.

Founders 3 RES Remarks - none

Public Comments

Mr. Jose Guzman of Dockside Dogs addressed the Board by sharing the history of the 2016 through 2017 lease and renovations. Mr. Guzman outlined his understanding of the lease agreement with WPD, identifying two specific concerns:

- 1) Dockside Dogs was not open for business in April 2016 (due to red-tagging of his construction by the City of Waukegan), it was his opinion that he should not pay rent for this month.
- 2) He would like to request a revision to the lease to change payments from April through September to May through October of each year to better align lease payments with business cash flow.

Mr. Morris indicated that Mr. Guzman had issues with Mr. Podolsky. Mr. Podolsky stated that he has and would always approach the matter objectively and in the Port's best interest. Mr. Seidelmann reported that Mr. Guzman was in possession of the property at all times, was performing work on his own pursuant floor plans approved by the Port, which plans were subject to approval of detailed drawings required by the City and compliance with all codes and ordinances. The City red-tagged the work due to a lack of compliance on behalf of the tenant.

Mr. Farrell referred the matter to Founders 3 RES to review the matter, determine a resolution, and make a recommendation to the Board.

Mr. Cento accepted.

Mr. Tom McIntosh, a harbor tenant, stated wanted to update the Board that he did not have an electrolysis issue with his boat this year. He noted that he moved to a new slip and that when he takes the boat out of the water this year, he will reevaluate. Mr. McIntosh shared that Port Washington posted that their Harbor had been evaluated prior to the start of the boating season and thought Waukegan Harbor may want to consider this procedure. Mr. McIntosh also noted the problem with 'boat crowd control' at dusk as fishing boats clog the throat of the harbor.

Mr. Seidelmann stated that the harbor slips and docks were tested for stray voltage after Mr. McIntosh's first report to the Board. No stray voltage was noted. In addition, the harbor crew randomly tested for stray voltage throughout the summer with no adverse results. Mr. Seidelmann noted that it is very difficult to identify stay voltage.

Chairman Farrell directed Mr. Seidelmann to have staff test docks and slips for stray voltage before the Spring 2018 opening of the Harbor (April).

Mr. Seidelmann also stated that he has spoken with the Coast Guard about fishermen who clog access to the Harbor. The Coast Guard will ticket boaters but it also worth noting that they have limited resources and are not always immediately available. The Harbor has added new camera equipment to spot and track the boaters who are causing the problem in an effort to help identify who they are.

Chairman Farrell asked if the Coast Guard Auxiliary could assist during nights with heavy traffic due to sailboat races. Mr. Podolsky stated that would be possible if the proper crew were available and the CG Station approved the orders.

Mr. McIntosh stated that there was a problem with seaweed in late August and early September.

Mr. Seidelmann responded that the problem existed across the lake, directing attendees to the Chicago Sun-Times article regarding Diversey Harbor. The problem was exacerbated by heavy spring rains and

phosphorous run-off. This season there was also a problem with deep lake weed infiltration caused by boats dragging the weeds into the harbor.

Real Estate Committee Report

Mr. Podolsky stated that there was nothing for the committee to report.

Financial Matters

Mr. Hamilton reported that he and Ms. McCarthy visited with Norstates Bank and were met with a warm reception but no follow-up. It is Mr. Hamilton's opinion that Norstates view that the 'own' WPD and don't need to 'earn' WPD business. Mr. Hamilton recommended that the Board allow him to seek out other financial institutions (banks) to improve banking opportunities and services.

Mr. Bach provided a general caution to Mr. Hamilton to follow a protocol that ensures consistent criteria are shared with each bank as WPD would for any other request for service proposal.

Chairman Farrell requested that Mr. Bach advise Mr. Hamilton, Mr. Podolsky, and himself on the recommended protocol to follow.

Approval

- **August 2017 Regular Board Meeting Minutes and**
- **August 2017 Closed Board Meeting Minutes**

Motion by Mr. Torres, second by Mr. Legat:
To approve the August 2017 regular and closed board minutes.

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

- **August 2017 Check Approval**

Motion by Mr. Torres, second by Mr. Bach:
To approve the August 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.

- **August 2017 Financial Report**

The question was raised about hiring Waukegan Police for security at the Harbor. Mr. Seidelmann stated that they were hired to fill the gap left by staff vacancies and identified security concerns. Chairman Farrell confirmed with Mr. Seidelmann that their supplemental services have been discontinued. Mr. Seidelmann confirmed but added that even though the Waukegan Police supplemental staff were much more expensive, their service was well worth the price paid.

Motion by Mr. Torres, second by Mr. Bach:
To approve the August 2017 financial report.

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

(Mr. Hamilton departed at 2:40 PM)

Airport General Manager Remarks (Operations/Status Report)

Mr. Goss reported that the Airshow was a perfect day: well-organized, well-attended, and beautiful weather.

Mr. Goss stated that Chairman Farrell, Mr. Cento, and he met with representatives of Signature to discuss AOP complaint and he believes that Signature is taking positive steps to address the concerns. Mr. Goss stated that he would continue to work with Signature on additional needs as identified while noting that everyone is looking forward to working together with renewed interest and participation.

Mr. Goss stated that the FAA approval for the F-111 was received.

Mr. Goss reported that the intergovernmental agreement with the Lake County Forest Preserve District (LCFPD) should be before the Board for approval at next month's Board meeting.

Chairman Farrell added that he called the AOPA to discuss their methods for identifying the complaint and how it presented a black eye for both the Airport and AOPA. He is not confident that his message was well understood but felt it was worth the effort to reach out to them.

Unfinished Business

Airport Consultant Agreement for Project UGN-4589, Phase 4 Security/Wildlife Fence – Approval

Motion by Mr. Torres, second by Mr. Legat:

To approve funds not to exceed \$35,245 for the non-federal share of the Airport Consultant Agreement for Project UGN-4589, Phase 4 Security/Wildlife Fence.

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

New Business - none

Board Comments - none

Harbor General Manager Remarks (Operations/Status Report)

Mr. Seidelmann reported that Harbor has seen an increase in the number of transient boaters, which he primarily attributes to the Bay Marine construction. He stated that the boaters have noted the Harbor improvements, specifically highlighting that it looks clean and good for business.

Mr. Torres asked if a welcome package is offered to these boaters.

Mr. Seidelmann stated that there is a welcome package and they are working to improve upon it for next season.

New Business - none

Board Comments – none

Closed Session – not required

Adjournment

Motion by Mr. Legat, second by Mr. Bach:
To adjourn.

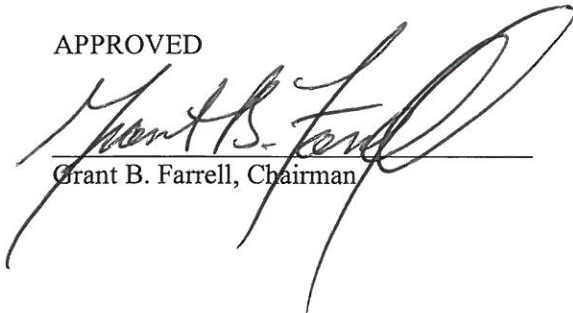
All members present voted aye and the Chairman declared the meeting ended.

Meeting adjourned at 2:53 PM



Joseph Legat, Secretary

APPROVED



Grant B. Farrell, Chairman