

MINUTES OF REGULAR MEETING
WAUKEGAN PORT DISTRICT BOARD

September 20, 2018

Waukegan National Airport
Airport Administration Office – Conference Room
2601 Plane Rest Drive, Waukegan, IL

The following Board members were present:

Gene Bach, Member and Historian
Tom Evers, Member
Joe Legat, Member
Billy McCaffrey, Member
Mike Melius, Member
Grant Farrell, Board Chairman

The following Board member was absent:

Jorge Torres, Member and Assistant Treasurer

The following Board officers were present:

Bob Hamilton, Treasurer
Randy Podolsky, Secretary

District Counsel

Peter Friedman

Members of the Port District Staff present:

Phil Cook, Founders/3RES, Mgr. Marina Accounting
Skip Goss, F/3 Aviation, General Manager, Airport
Joe Seidelmann, F/3 Marine, General Manager, Harbor
Cathy Smith, F/3 Aviation, Assistant General Manager, Airport
Mary McCarthy, F/3 Marine, Staff Accountant
Mary Louise Schram, F/3 Aviation, Administrative Assistant

Call to Order

Chairman Farrell called the meeting to order at 4:01 PM.

Roll Call

Pledge of Allegiance

Approval of Remote Participation/Voting

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

To approve Mr. Evers, who is away for business travel, for remote meeting participation via phone.

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

Chairman Remarks

Chairman Farrell introduced Dr. John Schwab, City of Waukegan Treasurer. Dr. Schwab presented the Proud City Award on behalf of the citizens of Waukegan to Mr. Randy Podolsky in acknowledgement of the many contributions of professional talent, relationships, and experience provided by Mr. Podolsky to improve the Waukegan Harbor and Waukegan National Airport on behalf of the communities that they serve. Dr. Schwab conveyed that many people had commended Mr. Podolsky.

Chairman Farrell remarked on the many projects, activities, and meetings in which he participated over the last two months. Most notably, he met with Mayor Cunningham regarding the statutory amendment recommendations and that Senator Link is also participating in the review process. Chairman Farrell is engaged with legal counsel regarding review of leases, new business, and other topics to provide support and direction for both the Harbor and Airport business. He also attended three management meetings since the last Board meeting.

Chairman Farrell met with the Lake County Forest Preserve District regarding the green space at the Waukegan Harbor. He also recognized the Canoe and Kayak Launch Ramp Kick-off event. Chairman Farrell reported that WPD is in early discussions with a business interested in providing boat/jet-ski rentals at the Harbor.

Chairman Farrell also reported on Airport business, including discussions regarding Signature Flight Service, Gama Aviation, and the Northern Illinois Air Show. Chairman Farrell noted that the Northern Illinois Air Show held another successful and well-attended event at the Waukegan National Airport.

Chairman Farrell announced to the Board that Mary Louise Schram will be the Board Liaison moving forward, noting that she will provide full support to him for management meetings, email communications, calendar and meeting coordination, agenda topics, minutes for Board meetings, and minutes for committee meetings (required with three or more Board members in attendance or, if less than three members, as requested by the committee). Cathy Smith, Assistant General Manager, Waukegan National Airport, will continue to focus on Airport matters.

F/3 Remarks – none

Legal Counsel – Relationship to Board & Chairman

Mr. Friedman provided a summary of the relationship of Counsel to the Board Chairman and the members of the Board, noting that the Board's primary responsibility is to make policy and to vote.

Chairman: Chairs the meeting and has unique special authority beyond that of Board members per municipal structure. The Chairman is responsible for ensuring that the meeting runs properly, that it is fair, open to the public, ensures that members perform their duty, rules on parliamentary questions, calls special or emergency meetings, manages creation of the agenda for meetings, complies with or responds to legislation, signs ordinances and resolutions, and assigns special projects.

Trustees of the Board: Set the policy of the Board by casting their vote. Trustees do not have the authority to demand document review, call special meetings, or set the agenda. Three trustees can require something to be added to an agenda, but practically speaking, the current Chairman has honored requests for agenda topics and trustees have not had to exercise this method. If the Chairman vetoes a Board vote, there is a provision in the statute to override a Chairman veto.

Reassign Committees

Chairman Farrell and the Board members agreed to the following committee assignments:

Ethics Committee: Mr. Melius, Chairman, and Mr. McCaffrey

Real Estate Committee: Mr. Podolsky, Chairman, and Mr. Legat

Personnel Committee: No longer required as WPD staff are employees of Founders 3

Finance Committee: Mr. Hamilton, Chairman, Mr. Torres, and Mr. Bach

Insurance Committee: Mr. Hamilton, Chairman, Mr. Evers, and Mr. Legat

Reports of Standing Committees

Real Estate Committee: Mr. Podolsky deferred discussion to the closed session.

Insurance Committee: Mr. Hamilton reported that the committee is scheduled to meet with representatives of West Insurance on October 2, 2018. Participants include Mr. Legat, Mr. Evers, and Mr. Hamilton.

Finance Committee: Mr. Hamilton noted that the Waukegan Port District Board is a policy board and that the financial reports in the Board packet are too granular for policy decisions. The Finance Committee recommends moving to reports that would make it easier to see trends in budget and progress toward goals. Mr. Hamilton, Chairman Farrell, Ms. McCarthy, and the two General Managers met to discuss process and direction. Mr. Cook presented the proposed Executive Summary of the financial reports. The Board will receive a copy of the proposed format for comment before the next meeting. Board members were reminded that the summary will be in the Board packet and that the detail remains available through request from Ms. McCarthy or Mr. Cook.

Mr. Hamilton stated that the Finance Committee will receive the check register for the month by the second working day of the new month. The Finance Committee will return their response for inclusion into the Executive Summary by the seventh working day of the month. Board packets typically go out on the tenth working day of the month.

The Finance Committee will work with Mr. Friedman to ensure that WPD meets all legal requirements for financial reporting.

Public Comments

Members of the public presented their concerns and commendations to the Board.

Consent Agenda

Motion by Mr. Bach, second by Mr. McCaffrey

To accept the Consent Agenda with the correction to the Minutes requested by Mr. McCaffrey

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

- July 2018 Regular Board Meeting Minutes
- July 2018 Check approval
- August 2018 Check approval
- Review of Financial Reports: July 2018
- Review of Financial Reports: August 2018

Motion by Mr. McCaffrey, second by Mr. Bach:
To approve the items on the Consent Agenda.

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

Review of 2006 – 2008 Closed Session Minutes; Approval of Resolution 2018-R-17

- April 19, 2006 – Property Acquisition
- May 17, 2006 – Property Acquisition, Personnel
- December 20, 2006 – Property Acquisition, Personnel
- January 17, 2007 – Personnel
- September 19, 2007 – Litigation
- October 17, 2007 – Litigation
- September 17, 2008 – Personnel
- November 19, 2008 – Personnel

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

To approve Resolution 2018-R-17, regarding the release of minutes of the above closed meetings of the Waukegan Port District Board.

On the following roll call vote, the Chairman declared the motion carried:

Aye:.....Mr. Bach, Mr. Evers, Mr. Legat, Mr. Melius, Mr. McCaffrey
No:none
Absent:.....Mr. Torres
Abstain:.....none

Airport General Manager Remarks

Mr. Goss reported that the Airshow was a great success. The taxiway rehab was completed and on-time. Tree clearing is underway, and the contractor is behind schedule. WPD is moving ahead with the acquisition of the Fraley property. Because of the delay of the roadway rehab, IDOT added a sidewalk and bike run to the project and construction is scheduled for Spring 2019.

White Wing Hangar – Condensed Environmental Assessment

Discussion deferred.

Approval of Resolution 2018-R-18 Donated Property from the Bomkamp Trust & Joan Bomkamp

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

To approve Resolution 2018-R-18 Donated Property from the Bomkamp Trust & Joan Bomkamp

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

Harbor General Manager Remarks

Mr. Seidelmann reported that the fish cleaning station is almost complete. The North pier gate is installed, and the electric service updated. Pier sections M13 through M16 are approved and will take four to five days to complete; the City of Waukegan is able to repurpose the old pier sections which will reduce the disposal costs to WPD. Mr. Seidelmann stated that the maintenance staff will begin decommissioning in preparation for winter, surveys have been sent to boaters, and that he met with the developer regarding the south harbor development. Mr. Seidelmann informed the Board that he participated in meetings to discuss formation of an Illinois Port District Association with representatives of Port Districts across the State. A Scout approached the district regarding an Eagle Scout project focused to bring awareness to the ADA kayak launch. Mr. Seidelmann sent a letter of intent to the Waukegan Park District Board to indicate the Port District's interest in jointly developing a park playground area.

Deigan – Crane Site Contamination

Gary Deigan of Deigan and Associates provided an evaluation of the crane site contamination. His report noted that the anticipated cleanup will cost between \$15,000 to \$16,000 with a possible offset of about \$4,000 for donated clean fill. Mr. Deigan reported that the proximity of the contamination to the water's edge is a liability and cleanup should be completed before winter begins.

Chairman Farrell formed a special committee to evaluate the options available and asked them to develop a recommendation of how to proceed to the Board. Mr. McCaffrey, Mr. Bach, and Mr. Legat all agreed to be members of the Crane Cleanup Committee with Mr. McCaffrey as Chairman. Options to be considered, include:

- Port District pays 100% of cleanup
- The Leasee pays 100% of cleanup
- Port District and Leasee split the costs of cleanup
- Possible litigation with Leasee to recover cleanup costs

Mr. McCaffrey asked for and obtained Mr. Friedman's legal opinion confirming his eligibility to participate on the committee. Mr. Friedman noted that if there are three members on the Committee, it will have to comply with the requirements of the Open Meetings Act.

Approval of Ordinance 2018-O-02 Harbor 2019 Slip Fees

Mr. Seidelmann presented the 2019 slip fee proposal to the Board for discussion.

Motion by Mr. Evers, second by Mr. Bach
To approve Ordinance 2018-O-02 Harbor 2019 Slip Fees.

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

Closed Session at 5:33 PM

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

To move to closed session for the purpose of discussing litigation, property disposition, and specific personnel, pursuant to Section 2(C)(1), (6), and (11).

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

Reconvene to Open Session at 6:07 PM

Present: Chairman Farrell, Mr. Bach, Mr. Evers, Mr. Legat, Mr. McCaffrey, Mr. Melius

On behalf of the Podolsky Family Foundation, Mr. Podolsky presented the Lake County Veterans Memorial Foundation with the second installment of the Podolsky Family Foundation donation in support of the F-111 project.

Chairman Farrell thanked staff and Board for their participation in a longer than normal meeting.

Adjournment

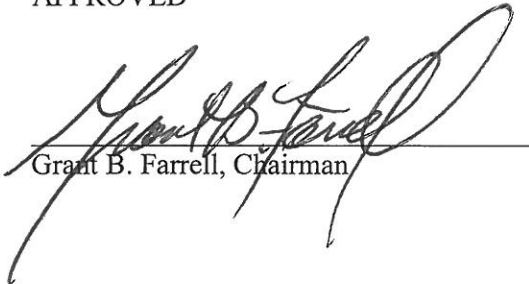
Motion by Mr. Melius, second by Mr. McCaffrey:

To adjourn.

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

Meeting adjourned at 6:15 PM

APPROVED



Grant B. Farrell, Chairman