

MINUTES OF THE REGULAR MEETING
WAUKEGAN PORT DISTRICT BOARD

March 17, 2021
4:00 PM.

Virtual Meeting via Zoom – Open to Public
Join Zoom Meeting by phone

Call: 1 (312) 626-6799
Enter Meeting ID & Password when prompted
Meeting ID: 837 4822 2331 Password: 871588

Members of the public who join the meeting will hear the full meeting while on the call. Callers will be muted until the Public Comment section of the Agenda, where each will be allowed to speak to the Board

The following Board members were present:

Gene Bach, Member and Historian
Joe Legat, Member
Billy McCaffrey, Member
Ben Veal, Member
Grant Farrell, Board Chairman

The following Board members were absent:

Tom Evers, Member and Secretary
Greg Petry, Member

The following Officer was present:

Bob Hamilton, Treasurer

District Counsel

Peter Friedman

Members of the Port District Staff present:

Alain Giudice, Founders 3, Senior VP Marina Division
Rick Taig, F3 Airport, Director of Operations
Erika Krivitz, Founders 3, Manager of Accounting & Finance, Marina Division
Skip Goss, F3 Airport, General Manager/Director, Airport
Patrick Lutker, F3 Deputy Director, Airport
Joe Seidelmann, F3 Marina, General Manager, Harbor
Mary McCarthy, F3 Marina, Staff Accountant
Cathy Smith, F3 Airport, Administrative Director
Mary Louise Schram, F3 Airport, Governmental Affairs & WPD Board Liaison

Call to Order

Chairman Farrell called the meeting to order at 4:00 PM.

Roll Call

Pledge of Allegiance

General Counsel’s Comments on OMA and the Governor’s Executive Orders

Chairman Remarks – Grant Farrell

Chairman Farrell welcomed Board Members, guests, and members of the public to the meeting. The Chairman reviewed his participation in WPD related meetings. The Chairman thanked Mr. Veal for his continued participation in the Management Meetings and invited Board members to let him know if they would like to participate. Chairman Farrell also recognized Alderman Lynn Florian of Waukegan and thanked her for her interest and attendance.

F3 Remarks

Rick Taig, F3 Airport, Director of Operations, introduced himself to the Board. Mr. Goss and Airport staff report to Mr. Taig.

Public Comment

Members of the public addressed the Board.

Treasurer’s Report

Mr. Hamilton reported that the Committee recommends Board approval of the February 2021 check register. Mr. Hamilton stated that he and the staff accountant continue to monitor the Harbor cash position to avoid the need to access a bridge loan.

Consent Agenda

- February 17, 2021, Regular Board Meeting Minutes
- February 2021, Electronic Transfer and Check Approval
- February 2021, Financials
- 2021-R-10, a Resolution to adopt a Purchasing Policy

Motion by Mr. Bach, second by Mr. McCaffrey:
To establish the Consent Agenda

Discussion - none

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal
No:.....none
Absent:.....Mr. Evers, Mr. Petry
Abstain:.....none

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

Discussion - none

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal
No:.....none
Absent:.....Mr. Evers, Mr. Petry
Abstain:.....none

Agenda

Ad Hoc Committee Reports

Airport General Manager Remarks (operations/status)

Mr. Goss reported that the Waukegan Fire Department, Waukegan Port District, and the City of Waukegan representatives dedicated the ARFF on Friday, March 19. Mr. Goss stated that SFS is close to an agreement with the U.S. Coast Guard to remain at UGN. He stated that Raven Aviation negotiated a lease with SFS for the hangar formerly leased to Grainger; the Board is asked to approve the sublease today. Mr. Goss reported that interest in building hangars at UGN has increased. Mr. Goss reported that the completion of the U.S. Customs building is on schedule for June 2021. Mr. Goss reported that the Airport is preparing to send letters to property owners impacted by the Replacement Runway project. An informational website will also be developed to keep the public informed and support the public hearing notices and other notices.

- Status Report and Discussion regarding EA and CMT Agreement

Mr. Loudon, CMT Engineer, reported that CMT anticipates exceeding the approved funding on the Master Plan, Environmental Assessment, and Airport Layout Plan project (2018-R-14, 2020-R-41) as early as April 2021. Mr. Loudon stated that CMT does not plan to request approval for local funds. CMT believes that some Environmental Assessment and Airport Layout Plan is potentially reimbursable from state and federal funds. CMT will request authorization from WPD to submit paperwork for reimbursable funds for the additional work.

- 2021-R-11 Approving Agreement with CMT Contract for Existing Airfield Compliance Report

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

To approve 2021-R-11 Approving Agreement with CMT Contract for Existing Airfield Compliance Report

Discussion – Mr. Goss described the report as an impact analysis to answer the question, “What if the replacement runway does not go forward? What could happen?” Mr. Goss stated that the report will help justify the importance of the project and help leverage WPD’s position. The funds for this report were in the approved budget.

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

Aye:.....Mr. Bach, Mr. McCaffrey, Mr. Veal, Chairman Farrell

No:.....Mr. Legat,

Absent:.....Mr. Evers, Mr. Petry

Abstain:.....none

- 2021-R-12 Approving Raven Aviation Sublease with Signature Flight Services

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

- To approve 2021-R-12 Approving Raven Aviation Sublease with Signature Flight Services

Discussion -The Board requested background regarding the decision by Raven to relocate to UGN. Mr. Goss stated that the company had been looking at DuPage, Chicago Executive, Kenosha, and UGN for a few years and the chose UGN.

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal

No:.....none

Absent:.....Mr. Evers, Mr. Petry
Abstain:.....none

Harbor General Manager Remarks (operations/status)

Mr. Seidelmann stated that the slip sales were at 78% capacity, which is in line with the 2021 budget projections. He reported that the Harbor maintenance staff began preparing for the season and that three boats are moored in the Harbor. Mr. Seidelmann reported less ice damage than expected but that the fuel dock cable pinched and required an emergency repair. Mr. Seidelmann reported that he could defer other scheduled maintenance to cover the \$8,000 needed to cover the repair cost. He stated that Big Lake Marine secured the pilings and fuel can be pumped. Mr. Seidelmann reported that North Shore Gas (NSG) would begin remediation as the weather will allow. The fencing on Pershing Road is less than expected. Once the final fence design is approved, a permanent fence will be placed. Mr. Seidelmann reported that the Barrel Drop gained more participation and exposure than last year. This year for Earth Day, WPD partnered with the Waukegan Police and Fire Department dive teams to clean the Harbor's bottom. Mr. Seidelmann commended Mr. Kutzler for his work to bring a WGN weather boat camera to the Harbor at no cost to WPD.

Presentation by the Waukegan Yacht Club, Jason Ferguson, Commodore

Mr. Jason Ferguson, Commodore, Waukegan Yacht Club (WYC), submitted the proposed WYC business plan in the board packet. Mr. Ferguson reviewed the financials and their path forward. He noted that WYC still hopes to collaborate with a restaurateur. Board members asked about repayment of debt to WPD and commented about the improved communication and transparency from WYC. The Chairman thanked Mr. Ferguson for sharing the business plan and the report.

Review and discussion of a combined proposal for 175 and 199 Harbor Place

Discussion

Mr. McCaffrey received a letter from Mr. Yuen the morning of the Board meeting, and he requested to read it aloud. Mr. Yuen's letter stated his withdrawal from consideration and his reasons for withdrawing at this time. However, Mr. Yuen's letter stated that he remains open to the idea and wants to renew discussions early this Fall. Board members shared their thoughts and concerns regarding terms and options. Mr. Seidelmann described WPD's requirement to provide escrow to demonstrate commitment to the project does not set a new precedent as Bay Marine met that requirement as part of their development.

- 2021-R-13, Approving Marina Lease Agreement re Green Town Tavern

Motion by Mr. Bach:

To table 2021-R-13.

The motion failed for want of a second.

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

To approve 2021-R-13, Approving Marina Lease Agreement re Green Town Tavern

Discussion -The Board discussed the terms of the agreement to determine if or how it would limit the WYC building/restaurant development. Mr. Seidelmann pointed out that all leases have a development clause that allows the Board to give notice and, if the development clause were exercised, that WPD would try to find another space for Green Town or sever the lease. Mr. Friedman stated that the option to renew is an ability to renew not a right to renew. The Board discussed the development clause of 270 days and recommended that it be reduced to 90 days notice. Green Town will be presented with the proposed reduction of the notice period.

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal
No:.....none
Absent:.....Mr. Evers, Mr. Petry
Abstain:.....none

- 2021-R-14, Approving Two Lease Agreements re Dockside Deli and Dockside Ice Cream

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

To approve 2021-R-14, Approving Two Lease Agreements re Dockside Deli and Dockside Ice Cream

Discussion - The Board discussed the development clause of 270 days and recommended that it be reduced to 90 days' notice. Dockside Deli and Dockside Ice Cream will be presented with the proposed reduction of the notice period. The Board directed Mr. Seidelmann to modify the development clause for all future leases to 90 days' notice.

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal
No:.....none
Absent:.....Mr. Evers, Mr. Petry
Abstain:.....none

- 2021-R-15, Approving License Agreement with Waukegan Yacht Club

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

To approve 2021-R-15, Approving License Agreement with Waukegan Yacht Club

Discussion - none.

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal
No:.....none
Absent:.....Mr. Evers, Mr. Petry
Abstain:.....none

- 2021-R-16, Approving License Agreement with Waukegan Junior Sail

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

To approve 2021-R-16, Approving License Agreement with Waukegan Junior Sail

Discussion - none.

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal
No:.....none
Absent:.....Mr. Evers, Mr. Petry
Abstain:.....none

Closed Session – none

Board Comments –

Mr. Bach requested an adjustment to the Harbor financials so that income is accrued to match the Harbor season of March through October.

Adjournment – 5:26 PM

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

Discussion - none

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

Aye:.....Mr. Bach, Mr. Legat, Mr. McCaffrey, Mr. Veal

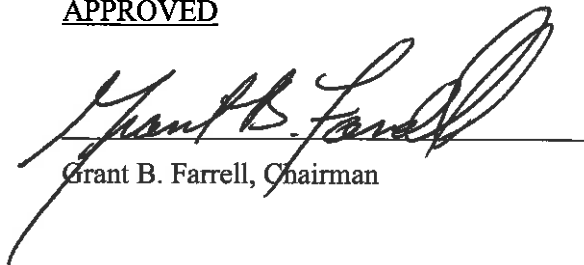
No:.....none

Absent:.....Mr. Evers, Mr. Petry

Abstain:.....none

Meeting Adjourned at 5:26 PM

APPROVED



Grant B. Farrell, Chairman