

MINUTES OF REGULAR MEETING
WAUKEGAN PORT DISTRICT BOARD

July 17, 2019
4:00 p.m.

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
Bob Hamilton, Treasurer
Joe Legat, Member
Billy McCaffrey, Member
Grant Farrell, Board Chairman

District Counsel

Peter Friedman

Members of the Port District Staff present:

Phil Cook, Founders 3, Manager of Finance & Operations, Marina Division
Skip Goss, F3 Aviation, General Manager, Airport
Joe Seidemann, F3 Marina, General Manager, Harbor
Cathy Smith, F3 Aviation, Assistant General Manager, Airport
Mary Louise Schram, F3 Aviation, Administrative Assistant

Call to Order

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

Pledge of Allegiance

Approval of Remote Participation/Voting

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

To approve remote participation at the meeting for Mr. Evers who is unable to attend in person due to business travel.

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

Chairman Remarks – Grant Farrell

The Chairman reported that he:

- Spoke with Mr. Torres whose Board term ended on May 31, 2019. Mr. Torres will not seek reappointment, nor will he continue attending meetings until a new appointee joins the Board. Mr. Torres sent a letter to thank the Board which was read to the Members. Chairman Farrell's letter thanking Mr. Torres for his service was shared with the Board. The Waukegan Port District Board

will honor Mr. Torres' service by placing a brick at the Lake County Veterans Memorial Plaza.

- Participated in two management meetings with the General Managers
- Consulted with Legal Counsel as needed on various legal matters
- Met with the Mayor of the City of Waukegan and the President of North Shore Gas to discuss possible solutions regarding the Waukegan Harbor matter.
- Met with Sandra Hart, Lake County Board Chair.

F3 Remarks – Phil Cook

Mr. Cook referred the Board to the 2018 Financial Audit included in the Board packet. He stated that it was still a draft as there may be minor changes to the text but no material changes to the financial information. Mr. Cook also stated that the bond monies were placed in the money market account and are maximizing interest income.

Board/Public Comment – none

Treasurer's Report

Mr. Hamilton reported that it was the committee's recommendation to approve the June 2019 Check Register.

Ad Hoc Chairman's Committee Reports

The Chairman stated that he asked Mr. McCaffrey and Mr. Bach to serve on an Ad Hoc committee with Mr. Seidelmann to evaluate the options available for the Harbor property formerly referred to as Harbor's Edge. Both members accepted the assignment.

Consent Agenda

- June 2019 Regular Board Meeting Minutes
- June 2019 Regular Meeting Bond Ordinance Minutes
- June 2019 Closed Board Meeting Minutes
- June 2019 Check Approval
- June 2019 Financials

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

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

Motion by Mr. Hamilton, second by Mr. Evers:
To approve the items on the Consent Agenda

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

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

Agenda

- Adopt 2018 Annual Financial Report, Resolution 2019-R-21

Motion by Mr. Bach, second by Mr. Hamilton:
To approve Resolution 2019-R-21 Adopt 2018 Annual Financial Report

Discussion: Mr. Cook answered questions related to the audit and provided specific locations within the report for the Board members to reference as part of their review. The Board discussed the need for additional time to review.

Without objection, the matter is deferred to September.

Harbor General Manager Remarks

Mr. Seidelmann reported that the weather continues to impact the ability of the Maintenance staff to be current on their scheduled work. The Maintenance staff will be cleaning the Jr. Sail pier of the scum that has collected as a consequence of the high-water levels. WPD will coordinate with Edgewater for an inspection and tie backs for the commercial dock sections. The 4th of July crowds were smaller this year as a result of the pier being closed for renovation. There were approximately 25 vets who greatly appreciated their view of the 4th of July fireworks from the former Harbor's Edge property. Mr. Seidelmann attended a recent Illinois Marine Transportation Association meeting where the DNR and Illinois Port Association discussed funding opportunities related to IDOT. The Association is creating a packet of information which will be shared when available. Funding will be available for this initiative that is being pushed by IDOT and Port Grants will be offered. Mr. Seidelmann noted that the current draft of the intergovernmental agreement with the Waukegan Park District is in the packet. Mr. Seidelmann reported that the group representing the Norgoma vessel submitted a business plan that he will share with the Board members before the next meeting. Mr. Seidelmann reported that Primo Steakhouse is partnering with the Harbor for special events. He stated that there are kayak events scheduled. Mr. Seidelmann is working on the clean marine certification renewal. Slip sales are down when compared to the same period last year. Mr. Seidelmann stated that the weather patterns are the primary reason for the decrease in sales, reporting that in the months of April, May, and June, there were only three consecutive days without rain or snow. He noted that during the month of May that it rained every weekend and that in June it rained three out of four weekends. Since the weather has improved, sales are picking up and he hopes to make up the loss that resulted from the slow start. Mr. Seidelmann stated that there may be an intermodal opportunity between Union Pacific and shipping traffic. Mr. Seidelmann reported that he has been approached by several developers interested in Port properties and the master plan. He said the discussions were in the early stages and that he will keep the Board informed as opportunities develop.

Airport General Manager Remarks

Mr. Goss introduced the two presenters in attendance: Mr. Craig Loudon from CMT, Inc., (Airport Runway Project Update) and Ms. Jennie Vanna, Metro Strategies (PR related to the Airport Replacement Runway Project) stating that each will present separately.

Mr. Goss reported on each ordinance and resolution:

- The intergovernmental agreement with the City of Waukegan, Waukegan Fire Department, and WPD has been signed by all parties.
- The User Fee Ordinance takes the costs associated with the recent Bond and assigns a monthly pro-rata share to each tenant at the Airport for the Safety (ARFF, new), Security (updated), and Customs Building construction (new).
- The resolution for the contract between WPD and ECS Midwest, LLC, directs ECS Midwest to complete Property Condition Assessments for Signature leaseholds.
- The resolution to approve the public relations consulting services agreement between Metro Strategies and WPD, stating that Ms. Vana's presentation will provide more info.

Craig Loudon of CMT noted that it has been about a year since he last updated the Board, and that he appreciated the time to provide an update. Mr. Loudon, using slides, gave a design and construction update for rehabilitation of runway 5/23. Project cost \$2,040,000 with a local share of \$102,000, the Federal share will be 90% and the State share will be 5%. The letting for this project is scheduled for August 2, 2019. The work will be scheduled for Summer 2020 with the Airport being closed for three weekends and one full week. The plan will be well communicated to tenants and users of the Airport.

Mr. Loudon reported that CMT and OMNNI are expecting the U.S. Customs General Aviation Facility to go out for bid in the Fall 2019 and construction will begin in the Spring 2020.

Mr. Loudon stated that CMT has also been providing assistance with miscellaneous support tasks for the two construction projects at the Airport.

Mr. Loudon reviewed the Economic Impact of the current Airport configuration (\$156,600,000), stating that the recent study reported that the replacement runway will add \$27,000,000 of annual positive economic impact.

Mr. Loudon presented the key elements of the Master Plan (MP), Airport Layout Plan (ALP), and Environmental Analysis (EA) stating that a program summary document was created for all stakeholders to be updated on all aspects of this project, so each stakeholder would be working from current information, and to coordinate their efforts to support the runway replacement project. The next steps will include: the Environmental Assessment, draft is expected in December 2019 and the Public Hearing will be scheduled Spring/Summer 2020; Planning Fall 2019; and continued Stakeholder Coordination.

Mr. Loudon stated that the project is on schedule and on budget. Dates are consistent with the Board presentation given a year ago.

Mr. Loudon responded to questions from the Board. Topics included the amount of runway surface to be milled, land that can be disposed of by WPD after completion of the project, and the likely timing of property acquisition.

The Chairman thanked Mr. Loudon.

Ms. Vana, VP of Communications with Metro Strategies, Inc., introduced herself to the Board stating that she and her team are looking forward to working with WPD on this project. Ms. Vana reported that Metro Strategies will create a proposal to develop a strategy, materials to tell the story in a compelling way, and stakeholder coordination. Metro Strategies will map out the strategy, goal, and solution, while targeting outreach to gain champions.

The Chairman thanked Ms. Vana.

The Chairman directed the Board's attention to the remaining items on the Agenda.

- Ordinance 19-O-03 to Modify Airport User Fees (add Customs and ARFF)

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

To approve Ordinance 19-O-03 to Modify Airport User Fees

There was no additional discussion regarding this matter.

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

Aye:.....Mr. Bach, Mr. Evers, Mr. Hamilton, Mr. Legat, Mr. McCaffrey

No:none

Absent:.....none

Abstain:.....none

- Resolution 2019-R-22 Approving Contract Between WPD and ECS Midwest, LLC to provide Property Condition Assessments for Signature Leaseholds

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

To approve Resolution 2019-R-22 Approving Contract Between WPD and ECS Midwest, LLC to provide Property Condition Assessments for Signature Leaseholds

There was no additional discussion regarding this matter.

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

Aye:.....Mr. Bach, Mr. Evers, Mr. Hamilton, Mr. Legat, Mr. McCaffrey

No:none

Absent:.....none

Abstain:.....none

- Resolution 2019-R-23 Approving Public Relations Consulting Agreement Between the Waukegan Port District and Metro Strategies, Inc.

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

To approve Resolution 2019-R-23 Approving Public Relations Consulting Agreement Between the Waukegan Port District and Metro Strategies, Inc.

There was no additional discussion regarding this matter.

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

Aye:.....Mr. Bach, Mr. Evers, Mr. Hamilton, Mr. Legat, Mr. McCaffrey

No:none

Absent:.....none

Abstain:.....none

Adjournment – 5:00 PM

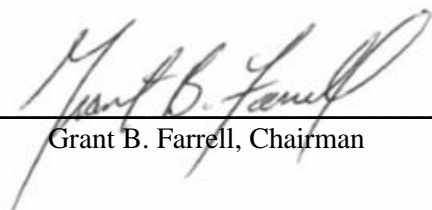
Motion by Mr. McCaffrey, second by Mr. Hamilton:

To adjourn

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

Meeting Adjourned at 5:00 PM

APPROVED



Grant B. Farrell, Chairman