

MINUTES OF THE REGULAR MEETING
WAUKEGAN PORT DISTRICT BOARD

January 20, 2021
4:00 PM.

Virtual Meeting via Zoom – Open to Public
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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 (arrived 4:10 PM)
Tom Evers, Member and Secretary (arrived 4:02 PM)
Joe Legat, Member
Billy McCaffrey, Member
Greg Petry, Member
Ben Veal, Member
Grant Farrell, Board Chairman

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
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 everyone to the meeting and reviewed his participation in WPD related meetings, including management meetings that Mr. Veal continues to attend and a couple of meetings with the Waukegan Yacht Club (WYC). WYC has a new Board, and the Chairman stated that WPD would continue to work with the WYC Board as they work to reinvigorate the organization. The Chairman reported that Mr. Veal, Mr. Seidelmann, and he walked through the WYC building to evaluate its condition, specifically focused on upgrades needed and environmental concerns.

F3 Remarks

Mr. Guidice acknowledged the effort to prepare the WPD financial analysis for the Board's consideration. He stated that during 2021, F3 would continue to identify developers for the shore side of the marina, identify new revenue sources for the marina, and continue to control expenses.

Public Comment

Treasurer's Report

Mr. Hamilton reported that the Committee recommends Board approval of the December 2020 check register.

Ad Hoc Committee Reports

Procurement Policy - Mr. Petry reported that the purchasing policy is nearing completion. It will be reviewed with staff tomorrow and is expected to be on the February Board agenda. A budget policy was created, and other policies will be forthcoming.

Finance Committee - Mr. Hamilton reported that the Committee reviewed the Audit proposals, came to a unanimous conclusion and then opened fee proposals. The Committee recommends Sikich to the Board for approval. There were relatively minor questions regarding provisions within the contract, which were generally discussed.

- 2021-R-01, a Resolution Approving a Consultant Service Agreement with Sikich for Financial Audit Services

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

To approve Resolution 2021-R-01, Approving a Consultant Service Agreement with Sikich for Financial Audit Services subject to legal counsel review and agreement.

Discussion - none

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

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

No:.....none

Absent:.....none

Abstain:.....none

Consent Agenda

- December 16, 2020, Regular Board Meeting Minutes
- December 16, 2020, Closed Board Meeting Minutes
- December 2020, Electronic Transfer and Check Approval
- December 2020, Financials

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

Discussion - none

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

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

Motion by Mr. Evers, second by Mr. Petry:
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. Evers, Mr. Legat, Mr. McCaffrey, Mr. Petry, Mr. Veal
No:..... none
Absent:..... none
Abstain:..... none

Agenda

- 2021-R-02, a Resolution Approving First Amendment to Professional Services Agreement for F3 Management

This item was tabled without objection.

- Review and Discuss adoption of a Budget Policy (first reading)

2021-R-03, a Resolution to adopt a Budget Policy

Mr. Petry reported that working on the purchasing policy highlighted the need for other policies and that the Budget Policy is ready for a first reading this month. WPD hopes that anyone with a management contract with WPD would be proactive and align their practices with this policy. This is not required within the current management contract. The Board discussed the role of an independent contractor, IRS rules, FOIA, and that legal opinions on the matter can go both ways (compliance/noncompliance to Board policy by an independent contractor). The specific question from the Board is whether the management contractor is required to follow state policies. Counsel will look at this matter and provide an opinion to the Board.

- Review and Discuss Levy/Abate Analysis Presented by the Finance Committee (first reading)

2021-R-XX, a Resolution to Abate the 2020 Tax Levy for the Capital One Series 2019 ARS Bond

2021-R-XX Resolution to Extend the Levy of 90% of 2015 Bond and Abate 10%

The Board reviewed the Finance Committee's analysis regarding whether to levy or abate the bond debt this year. Members shared various considerations related to their support of a partial or full levy. Other members stated their opposition to any levy of debt. The discussion explored options and opinions about the possible negative impact, noting that the District has never taxed or levied in its 60-year history. It was recognized that WPD is a non-taxing municipal organization. Everyone agreed that more scenario planning is required to evaluate the concerns and to look for other options. The Chairman asked Mr. Evers, Mr.

Hamilton, and the two General Managers to identify and evaluate other options that may be available and to share their findings with the Board before the next meeting.

Airport General Manager Remarks (operations/status)

Mr. Goss gave a recap of 2020, stating that fuel revenue was down 25% from 2019 but that take-off and landings were up 2%, noting that the additional activity was attributable to the flight training at the Airport. Mr. Goss continues to reach out to the State regarding the \$25MM appropriate for the Replacement Runway Program. The State will not release funds until the environmental assessment (EA) is complete. Mr. Goss received comments regarding the EA at the end of December, and he and CMT are drafting a response. Mr. Goss reported that the Airport is getting close to a solution to keep the US Coast Guard at the Airport for another 20 years. Mr. Goss stated that he and Mr. Petry met with CMT to follow-up and review the policy. Mr. Goss reported that the ARFF track delivery is expected in April. He hopes to create a dedication ceremony and media event by working with local Fire Departments to schedule a simulated crash and response. Multiple Board members acknowledged their appreciation of the CMT reports contained in the Board packet.

Harbor General Manager Remarks (operations/status)

Mr. Seidelmann reported that boater retention is ahead of last year with a 70% occupancy projection. He noted that there has been minimal ice formation so far this winter but that there has been some shifting of the floating docks. Mr. Seidelmann will bring a request to the Board to repair the damage when there is no more threat of ice, and an assessment can be completed. Mr. Seidelmann acknowledged the marketing plan had a printing error and he will correct and resend. He also noted that he would return with an evaluation of the 2021 budget and this year's assessment of the COVID impact at the April Board meeting. Mr. Seidelmann reported on the condition of the WYC building and the work being done by WPD maintenance. WPD will offer WYC a license agreement as they develop their business plan, and efforts are underway to maintain the Chicago to Waukegan sailing race as WYC has partnered with Chicago Corinthian Club.

- 2021-R-04, Resolution Approving Amendment No. Four to Chicago Yachting Center LLC, Bay Marine Lease

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

To approve 2021-R-04, a Resolution Approving Amendment No. Four to Chicago Yachting Center LLC, Bay Marine Lease

Discussion – Mr. Friedman stated that this is a ‘housekeeping’ item as the Board did not sign the document in 2017, and a Board resolution never approved it.

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

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

Closed Session – none

Board Comments –

Mr. Hamilton requested members to route their comments or options to Mary Louise for compilation.

Adjournment – 5:25 PM

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

To adjourn

Discussion - none

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

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

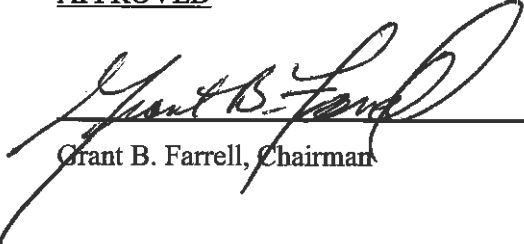
No:.....none

Absent:.....none

Abstain:.....none

Meeting Adjourned at 5:15 PM

APPROVED



Grant B. Farrell, Chairman