

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

May 20, 2009

**Waukegan Regional Airport
DB Aviation FBO, Inc. – 2nd Level Conference Room
3550 N. McAree Road – Waukegan, Illinois**

The following Board members were present:

Jim Bierman
Donald Vanderventer
Jorge Torres
Dale Johnson
Mike Melius
Pete Couvall

The following Board member was absent:

Rodger Welker

District Counsel present:

Thomas A. Morris, Jr.

Members of the Port District Staff present:

Duncan C. Henderson, A.A.E., Executive Director
Chris Peters, Executive Assistant
Brion O'Dell, Marina Manager
Jamie O'Meara, Chief Accountant
Barney Baker, Airport Maintenance Supervisor

Others in attendance:

Jim Barnes, DB Aviation, Inc.
D'Javan Conway, Representative Eddie Washington

Chairman Welker called the meeting to order at 9:00 A.M.

Mr. Henderson reported that Dr. Welker is out of the State of Illinois and is unable to attend the meeting. On motion of Mr. Melius to appoint Mr. Bierman to act as Chairman of the meeting, seconded by Mr. Johnson, all members present voted aye and the motion was declared carried.

1. Approval of the Board Meeting Minutes of April 15, 2009

On motion of Mr. Melius to approve regular meeting Minutes for April 15, 2009, seconded by Mr. Johnson, all members present voted aye and the chairman declared the motion carried.

2. Approval of Checks

Mr. Vanderverter reported he had reviewed checks with Ms. O'Meara. After board discussion, on motion of Mr. Torres to approve checks, seconded by Mr. Melius, all members present voted aye, and the Acting Chairman declared the motion passed.

3. Financial Reports: April 2009

Mr. Henderson reviewed airport and harbor revenue and expense reports presented.

The airport revenue report figures are down year to date. DB Aviation had anticipated a 20% decline for the year and the operations report confirms that projection. Expenses are also down with vehicle operations and maintenance being significant factors.

The harbor revenue figures are also down. Our good loan interest rate is offset by a low pay back rate. Slip occupancy is off. Expenses are likewise down. The borrowing rate and fund transfers were discussed.

On motion of Mr. Vanderverter to approve the financial reports, seconded by Mr. Johnson, all members present voted aye and the Acting Chairman declared the motion carried.

4. Operations Report

Aircraft operations are down by 20% with a significant difference between local and itinerant. Operations directly correlate to fuel sales. Large relievers in the industry show a 50% decline while Waukegan Regional is down 20%.

Harbor operations indicate fuel sales are slow. Daily launch permits are up. The diesel figure from 2008 is significantly higher going back to the construction crews on site that winter.

On motion of Mr. Johnson to approve operations reports, seconded by Mr. Melius, all members present voted aye and the Acting Chairman declared the motion carried.

Airport – Unfinished Business

5. Status Reports

Mr. Henderson reported the WCAF Ramp Reconstruction Pre-Construction Meeting would be held on May 27, 2009. Items to be coordinated will be resurfacing 14/32 and access for DB Aviation as well as WCAF tenants.

Mr. Bierman asked for a briefing on the city water loop. Mr. Henderson reported that investigation into the matter revealed there is no loop on one side of the airport property and our new SRE would require a pump. There is a loop in the NWQ. DB's booster drained the NWQ when the system was tested. Port District records acknowledge receipt of a credit for the \$100,000 loop fee.

Airport – New Business

6. Temporary Equipment Storage

Mr. Henderson reported no stimulus money would be available for our SRE project. A recent newspaper article had misstated the amount of funding available. We will only receive \$1.3 million for 14/32, not \$2.6 million. This puts us two years away from occupying a new maintenance building. Considering an immediate need for snow removal storage Mr. Stanczak proposes purchasing the Edmund hangar which has been on the market for sometime. The Board generally discussed purchase or lease, and the possibility of other structures that may be available for that use. The board requested due diligence with a chart presentation addressing rental and purchase options as well as alternate structures and possible expansion of the Edmund hangar at a later date.

Airport – Board / Public Commentary

Mr. Baker expressed his love for the airport.

Harbor Unfinished Business

Mr. O'Dell reported the automated launch ramp gate is operating well and the bugs seem to be worked out. It did take some time to train the launchers, and the gates are now operating on their own quite well. In light of higher volume over Memorial Day and the 4th of July he intends to staff the gate. Mr. O'Dell was pleased to report launch fees are up.

Marina occupancy is down roughly 78 slips compared to last year. Winter damage to the marina has been repaired. Our ice jacked pile has been reinstalled. HCB siding is due to commence next week.

Parking lots used for boat storage are to be clear June 1. Larry Walker has suggested some reorganization of boats for easier access.

Mr. O'Dell also reported due to medical issues we are short three full time personnel in maintenance. Contractual services may increase to fill the void.

Harbor – New Business

None

Harbor-Board /Public Commentary

Mr. Melius inquired if the new side of the marina was fully occupied. Ms. Peters answered there were a few 45' slips available.

There being no further business, on motion of Mr. Johnson to adjourn the meeting, seconded by Mr. Couvall, all members present voted aye, the Acting Chairman declared the motion carried.

s/Jorge Torres
JORGE TORRES, Secretary

APPROVED:

s/Rodger Welker
RODGER WELKER, Chairman