

ILLINOIS INTERNATIONAL PORT DISTRICT

Record of Proceedings of the REGULAR BOARD MEETING

January 18, 2008

The regular meeting of the Board of Directors of the Illinois International Port District was held Friday, January 18 at 9:30 a.m., at the office of the Illinois International Port District, 3600 E. 95th St., Chicago, Illinois and was presided over by Chairman William Braasch. William Dart, Secretary, called the roll, and the following Directors were present: Samuel Evans, Cary Capparelli, Charles Bowen, Daniel Alvarez, Paul Jenkins, Terry Fitzmaurice, and Dean Maragos. Mr. Dart reported that the Chairman was present and a quorum was present. Mr. Murphy was absent.

Also present: Anthony G. Ianello, Executive Director; George Braam, Kudrna & Associates, Ltd; James McConnell, Neal & Leroy, LLC; and Kurt Oelerich, Treasurer

General public present: None

Board Meeting Minutes – December 21, 2007

The Minutes of the December 21, 2007 Board Meeting were presented, and Counsel McConnell noted an error in the court date for the Emesco lawsuit. A Motion was made by Mr. Alvarez and seconded by Mr. Evans for approval of the Minutes with the corrected date, and the Motion passed unanimously.

REPORTS OF STANDING COMMITTEES

Executive Committee

No meeting was held.

Agreements and Leases Committee

Mr. Ianello reported on the Minutes of the Agreements and Leases Committee meeting held on January 15, 2008.

Mt. Carmel Stabilization may not need both grain elevators now, but Nidera would like to have the other one. Both elevators could be operational with two different commodities if details are worked out.

Regarding Pier 37 contract renewal, the Board agreed that the same terms should apply with the addition of a clause regarding any newly constructed facilities during the duration of the contract.

EXECUTIVE SESSION

A Motion was made by Mr. Bowen and seconded by Mr. Jenkins to discuss pending litigation. The Motion passed unanimously.

Following a lengthy discussion, a Motion was made by Mr. Alvarez and seconded by Mr. Evans to exit the Executive Session. The Motion passed unanimously.

Homeland Security Committee

Chairman Capparelli reported that no meeting was held, however Mr. Braam had information on current projects. Mr. Braam told the Board that our current TSA grant of \$3.4 million was a 75%/25% matching funds grant and that we were making progress toward the 25% compliance. We have provided TSA with additional information regarding NEPA, as well as proof that we are not damaging any historical properties with our security projects. The favorable sign-off from the State came in record time, so we are now very interested in getting started with the project again. We think it should take about 30-60 days.

Mr. Braam reported on a State Security Grant of just under \$17,000 for an automated gate at the entrance to Iroquois Landing. We have removed this request from our original TSA grant to free up funds for other projects. The new gate would be a secondary source of security that could be operated by guard personnel from their guard station.

As part of the work being performed by Siemens, we may receive \$75,000 from the State for power to be run to two locations and another \$65,000 for work at the guard station at Lake Calumet.

Mr. Ianello is on the Illinois Terrorism Task Force which distributes State funds through various agencies. This year there were excess funds in the budget, and so agencies were asked to submit requests for specific projects. Since there so far have been no requests except ours in the area we identified, we have a good chance of receiving this grant.

Finance and Personnel Committee

Treasurer Oelerich reported on the Minutes of the Finance and Personnel Committee Meeting of January 15, 2008 where the Port income statement, Harborside income statement, consolidated income statement, balance sheet, and check register for the month of November, 2007 were presented to the Board for review and discussion. A Motion was made by Mr. Bowen and seconded by Mr. Capparelli to approve the financial reports. The Motion passed unanimously.

Treasurer's Report

Treasurer Oelerich reported that confirmation of the Port's Letter of Credit had been received.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

Mr. Ianello contacted the WGA, which holds the Mid Am, the second largest amateur event in the country, to see if they might be interested in Harborside as a venue for the event in the future. Currently they have one more year at Point of Woods and are negotiating with another course for next year. However, their representative expressed interest in Harborside and agreed to contact Mr. Ianello when current negotiations were finished in February.

Mr. Capparelli stated that a successful bid would result in reactivation of the Marketing Committee.

ADJOURNMENT

The next meeting will be on February 15, 2008.

There being no further business, a Motion to adjourn was made by Mr. Bowen, seconded by Mr. Evans, and passed unanimously.

William J. Braasch
Chairman

William F. Dart
Secretary