

ILLINOIS INTERNATIONAL PORT DISTRICT

Record of Proceedings of the REGULAR BOARD MEETING

May 16, 2008

The regular meeting of the Board of Directors of the Illinois International Port District was held Friday, May 16, at 9:30 a.m., at Harborside International Golf Center, 11001 South Doty Avenue East, Chicago, Illinois and was presided over by Chairman William Braasch. William Dart, Secretary, called the roll, and the following Directors were present: William Murphy, Terry Fitzmaurice, Cary Capparelli, Charles Bowen, and Dean Maragos. Mr. Alvarez, Mr. Evans, and Mr. Jenkins were absent. Mr. Dart reported that the Chairman was present and a quorum was present.

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

General public present: None.

Board Meeting Minutes – April 18, 2008

The Minutes of the April 18, 2008 Board Meeting were presented, and a Motion was made by Mr. Fitzmaurice and seconded by Mr. Bowen for approval of the Minutes. The Motion passed unanimously.

REPORTS OF STANDING COMMITTEES

Executive Committee

No meeting was held.

Agreements and Leases Committee

Mr. Murphy reported on the Minutes of the Agreements and Leases Committee meeting held on May 13, 2008.

Regarding dock wall repairs, Mr. Kudrna reported that cost of repairs will probably be in the area of \$8-10 million; therefore we need to press the legislators to expedite funds for the dock wall replacement. The area is 40 feet long by 27 feet deep with pilings and tie-backs, which requires an extensive amount of work. The current problems are the result of the age of the structures and the changing water levels which cause the lumber to dry out. Divers have identified four areas that are structurally weak, and Mr. Ianello has been instructed to notify North America Stevedoring once again of the locations to avoid.

Homeland Security Committee

Mr. Kudrna reported that consulting engineers are coordinating the work and pricing with Siemens under their existing contract with IIPD. Initial security improvements will be made at Iroquois Landing. Site preparation work orders for utilities, paving, lighting, and fencing have been prepared, and price quotes will be presented at the June meeting. All work should be eligible for the 75% grant match with work on fencing to begin this month.

FY2008 Port Security Grant Program has allocated \$6.2 million for the Southern Lake Michigan Region, and we are continuing to work with the local steering committee for participation in this program.

Finance and Personnel Committee

Treasurer Oelerich reported on the Minutes of the Finance and Personnel Committee Meeting of May 13, 2008 where the Port income statement, Harborside income statement, consolidated income statement, balance sheet, and check register for the month of April, 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.

The Board discussed the attendance of Doris Bautch, Director for the Great Lakes Region of MARAD, at the F & P Committee meeting as well as strategies to obtain possible appropriations for various Port improvements.

Treasurer's Report

We are now into the first full month of golf operations. April weather was poor, but both the Port and Harborside are performing well.

We are in the process of rapping up the 2007 audit and should have final statements next month.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

Items of interest from local media were presented for review. One pertained to Victor Crivillo's plan to establish a sailing school in Lake Calumet and his claim that the Port no longer uses this body of water for commercial shipping. Mr. McConnell reported that this would be impossible as this harbor accommodates ocean-going vessels.

ADJOURNMENT

The next meeting will take place on Friday, June 20, 2008 at the offices of the Illinois International Port District.

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

William J. Braasch
Chairman

William F. Dart
Secretary