

ILLINOIS INTERNATIONAL PORT DISTRICT

Record of Proceedings of the REGULAR BOARD MEETING

June 15, 2007

The regular meeting of the Board of Directors of the Illinois International Port District was held Friday, June 15, 2007 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: Daniel Alvarez, Paul Jenkins, Samuel Evans, Cary Capparelli, Anthony DeAngelis, William Murphy, Charles Bowen, and James Buchanan. Mr. Dart reported that the Chairman was present and a quorum was present.

Also present: Frank Kudrna, Kudrna & Associates, Ltd; Anthony G. Ianello, Executive Director; Kurt Oelerich, Treasurer

General public present: Mr. Steve Mosher, General Manager, and Mr. Michael Brackin, Controller, North America Stevedoring.

Board Meeting Minutes – May 18, 2007

The Minutes of the May 18, 2007 Board Meeting were presented, and a Motion was made by Mr. Murphy and seconded by Mr. Evans for approval. The Motion passed unanimously.

REPORTS OF STANDING COMMITTEES

Executive Committee

No meeting was held.

Agreements and Leases Committee

Mr. DeAngelis gave a summary of the Agreements and Leases Committee meeting held on June 12, 2007, as reported in the Agreements and Leases Committee Meeting Minutes.

Mr. Kudrna provided information regarding the advantages of construction of a third golf course at Harborside, including the potential for use during the 2016 Olympics. Even if golf is not declared a sanctioned sport for the Olympics, the course could be used for demonstration purposes and would attract golfers from around the world. In addition, the City would benefit from construction using clean landfill on which to build the course. Mr. Kudrna predicted that the course would be fully operational by 2012. When asked by Mr. Braasch if that schedule could be shortened, the answer was yes; however the five-year construction would maximize revenues.

Mr. Ianello reported that Counsel McConnell had sent the Lease Agreement to Mr. Denis Dupuis for signature, however Mr. Dupuis will require some time to study the details before signing.

Richard Friedman of Neal & Leroy will provide Metal Management with terms for financing their \$35 million expansion. Metal Management desires a long-term lease and can do the financing themselves; however we would prefer to keep them on Port District property and assist in the financing.

Homeland Security Committee

Chairman Capparelli asked Mr. Kudrna to present proposals for fencing to the Board. Fencemasters came in with a bid of \$68,165, while Fencebuilders bid \$78,217. Since both offered the same quality and we have worked successfully with Fencemasters in the past, their bid was recommended. Mr. Jenkins moved to accept Fencemasters' bid. The Motion was seconded by Mr. Bowen passed unanimously.

Chairman Capparelli also informed the Board that additional security funding may be obtained with the aide of Senator Durbin's office through the Appropriations Bill.

Finance and Personnel Committee

Treasurer Oelerich reported on the Minutes of the Finance and Personnel Committee Meeting of June 12, 2007 where the Port income statement, Harborside income statement, consolidated income statement, balance sheet, and check register for the month of May, 2007, were presented to the Board for review and discussion. A Motion was made by Mr. Buchanan and seconded by Mr. DeAngelis to approve the financial reports. The Motion passed unanimously.

Treasurer's Report

Port revenues continue to be on budget with the exception of the NASCO lease payments. Harborside has some lower revenue due to the timing of outing payments. May 07 rounds were up by 500 over May 06, and this year's scheduled outings are as good or better than the number last year.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

Board members were provided with recent relevant media articles to review.

Mr. Steve Mosher, General Manager, and Mr. Michael Brackin, Controller, of North America Stevedoring introduced themselves and explained their goal of moving tonnage by water from Canada to New Orleans by way of the Great Lakes rather than via truck.

ADJOURNMENT

Next month's meeting will be held on July 20, 2007.

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

William J. Braasch
Chairman

William F. Dart
Secretary