

ILLINOIS INTERNATIONAL PORT DISTRICT

Record of Proceedings of the REGULAR BOARD MEETING

August 17, 2007

The regular meeting of the Board of Directors of the Illinois International Port District was held Friday, August 17, 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. In the absence of William Dart, Secretary, Executive Director Anthony Ianello called the roll, and the following Directors were present: Samuel Evans, Cary Capparelli, Anthony DeAngelis, Charles Bowen, James Buchanan, Daniel Alvarez, Paul Jenkins, and William Murphy. Mr. Ianello reported that the Chairman was present and a quorum was present.

Also present: Frank Kudrna, Kudrna & Associates, Ltd; James McConnell, Neal & Leroy, LLC; Kurt Oelerich, Treasurer.

General public present: None

Board Meeting Minutes – July 20, 2007

The Minutes of the July 20, 2007 Board Meeting were presented, and a Motion was made by Mr. Jenkins 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 August 14, 2007, as reported in the Agreements and Leases Committee Meeting Minutes.

Regarding the grain elevators, Mr. Ianello reported that the Committee had reviewed two reports presented by the Department of Environment which had been completed in the past. Because these were very preliminary, Shaw Environmental was retained by the City to complete the next phase of the study by September 2007. They are studying an anaerobic digestion process for composting but as yet don't know how many silos would be required, etc. Staff expressed to the City that there are other parties interested in using these silos, and therefore we would need to know their requirements as soon as possible. Although they say that this procedure has been done in Europe and Canada, we have been

unable to find an example of it and are concerned with structural problems with the elevators.

Staff also reported that Mr. Denis Dupuis of NASCO will be visiting our offices on August 23 to discuss final changes to their lease agreement.

Regarding the former CDL facility, Lockheed Martin is requesting parking space for 30 vehicles a day. However Mr. Ianello stated that if they intend to do TWIC cards for the City of Chicago, they will need much more space. Before negotiating further, they were asked to determine the specifics of their requirements.

RESOLUTION PD 07-01

A Motion was made by Mr. DeAngelis and seconded by Mr. Alvarez to accept the bid of Windy City Warehousing for the lease of Shed 3, as well as space in the back-up warehouse. The Motion passed unanimously.

RESOLUTION PD 07-02

A Motion was made by Mr. DeAngelis and seconded by Mr. Murphy to approve the FTZ application of Eagle Global Logistics. The Motion passed unanimously.

RESOLUTION PD 07-03

A Motion was made by Mr. Buchanan and seconded by Mr. Evans to approve the FTZ application of LG Electronics. The Motion passed unanimously.

Homeland Security Committee

Chairman Capparelli asked Mr. Ianello to report on two developments pertaining to Homeland Security. Firstly, the Port has secured the services of Randy Helland, a retired Coast Guard Captain, as a security consultant for a term running through the end of this year and at a cost not to exceed \$500/month.

Secondly, regarding the “supplemental” grant money to be released in the next round to entities who did not receive awards in Round 7, the Department of Homeland Security does not want the responsibility of overseeing the application of funds. They are requesting that a “local representative” take over this fiduciary responsibility, and the Illinois Department of Homeland Security has asked if the Port would be interested.

Finance and Personnel Committee

Treasurer Oelerich reported on the Minutes of the Finance and Personnel Committee Meeting of August 14, 2007 where the Port income statement, Harborside income statement, consolidated income statement, balance sheet, and check register for the month of July, 2007, were presented to the Board for review and discussion. A Motion was

made by Mr. Evans and seconded by Mr. Bowen to approve the financial reports. The Motion passed unanimously.

Treasurer's Report

Mr. Oelerich reported that Port YTD revenue is still on course, and Harborside is also doing well. He reminded the Board that revenue is recorded when received.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

There was none.

ADJOURNMENT

Next month's meeting will be held on September 21, 2007.

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

William J. Braasch
Chairman

William F. Dart
Secretary