

ILLINOIS INTERNATIONAL PORT DISTRICT

Record of Proceedings of the REGULAR BOARD MEETING

September 19, 2008

The regular meeting of the Board of Directors of the Illinois International Port District was held Friday, September 19, at 9:30 a.m., at 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: Cary Capparelli, Charles Bowen, Paul Jenkins, William Murphy, Daniel Alvarez, Paul Jenkins, and Dean Maragos. Mr. Fitzmaurice was absent. Mr. Ianello reported that the Chairman was present and a quorum was present.

Also present: Frank Kudrna, Kudrna & Associates, Ltd., and Kurt Oelerich, Treasurer

General public present: None

Board Meeting Minutes – August 15, 2008

The Minutes of the August 15, 2008 Board Meeting were presented, and a Motion to approve the Minutes was made by Mr. Evans, seconded by Mr. Bowen, and passed unanimously.

REPORTS OF STANDING COMMITTEES

Executive Committee

Chairman Braasch reported on the Minutes of the Executive Committee Meeting held on September 19, 2008 to discuss a proposal by Staff as to what information should be placed on the Illinois International Port District website. Chairman Braasch also read an opinion drafted by General Counsel regarding this issue. While the Committee felt that the language of this opinion was a little harsh, it reiterated that it was important to note that the Port District was providing far more information on its website than required by the Open Meetings Act. Mr. Maragos stated that he wanted to be on the record as disagreeing with General Counsel's findings. In response to his inquiry about posting board members business addresses, the other board members agreed that they could be contacted through the Port District, and the messages would be relayed promptly to them. Mr. Capparelli noted that the Marketing Committee was missing from the agenda to be posted and that the Homeland Security Committee should be listed as a subcommittee to the Legislative Committee.

Agreements and Leases Committee

Mr. Murphy reported on the Minutes of the Agreements and Leases Committee Meeting held on September 16, 2008.

Marketing Committee

Chairman Capparelli had no new business to report.

Homeland Security Committee

Chairman Capparelli had no new business to report.

Finance and Personnel Committee

Treasurer Oelerich reported on the Minutes of the Finance and Personnel Committee Meeting of September 16, 2008 where the Port income statement, Harborside income statement, consolidated income statement, balance sheet, and check register for the month of August, 2008 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

Mr. Oelerich explained that the extraordinarily high maintenance expenditure for the Port was due to the dock repairs at Iroquois Landing. The total cost of engineering, materials, and labor was \$175,000. He reminded the Board that this is not a regular expenditure, but that this type of expense approval by the Board also changes the overall budget.

Strong golf rounds at Harborside produced strong revenue in August. Golf is up 3,000 rounds so far this year, and even with the loss of last weekend due to heavy rains, they are experiencing a 10% increase over last year.

Regarding the insurance proposal submitted by Mesirow Financial, concerns related to using AIG Insurance were discussed. Since AIG has received help from the federal government, and only two of the Port's policies are underwritten by two of their subsidiaries, the Board decided to accept the proposal from Mesirow without substituting a different carrier for these two policies (umbrella and Directors/Officers). The 2008/2009 premium will be \$366,583, down \$30,000 from last year. A Motion to accept the proposal was made by Mr. Jenkins, seconded by Mr. Evans, and passed unanimously.

Mr. Oelerich reported that the Port's bonds are routinely re-marketed and re-priced on a weekly basis, and due to the tumultuous occurrences within the economic marketplace this past week, the price of the bonds spiked from 2% to 6%, the highest we have ever paid. However, Mr. Oelerich fully expects the price to drop further down once again next week.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

There was none.

ADJOURNMENT

The next meeting will take place on Friday, October 17, 2008 at the offices of the Illinois International Port District.

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