

ILLINOIS INTERNATIONAL PORT DISTRICT

Record of Proceedings of the REGULAR BOARD MEETING

January 17, 2014

The regular meeting of the Board of Directors of the Illinois International Port District was held Friday, January 17, 2014, at 9:30 a.m., at the Illinois International Port District, 3600 E. 95th St., Chicago, Illinois. Kathleen Dart, Secretary, called the roll, and the following Directors were present: Henry Wisniewski, Lynette Santiago, Charles Bowen, Dean Maragos, and Sodiqa Williams. Ms. Dart reported that the Vice Chairman was present and a quorum was present. Mr. Forde was absent.

Also present: Anthony Ianello, Executive Director; George Braam, URS Corp.; Kurt Oelerich, Treasurer; Michael Leroy, Neal and Leroy.

General public present: Tom Shepherd, Southeast Environmental Task Force and Calumet Vision Committee; Tim Hamann and Chris Caparelli, Marquette Associates.

Board Meeting Minutes – December 13, 2013

The Minutes of the December 13, 2013 Board Meeting were presented. A Motion to approve the Minutes was made by Mr. Bowen, seconded by Ms. Santiago, and passed unanimously.

Presentation by Marquette Associates

Following execution of the contract with Marquette Associates last month, Mr. Caparelli gave the Board Members an update on the pension portfolio and what their strategy will be going forward. He also reported that the market environment for equities had been the best since 1997 although fixed rates were slightly down. Year-to-date the value of the pension portfolio was up 14.4%. The Private Bank was recommended as custodian because it provides the most cost efficient service.

A Motion to accept the Resolution to change custodial possession of the pension funds to Private Bank was made by Mr. Bowen, seconded by Ms. Santiago, and passed unanimously.

Special Board Meeting Minutes – December 26, 2013

A Motion to approve the minutes of the special telephonic Board Meeting on December 26, 2013 was made by Mr. Bowen, seconded by Mr. Wisniewski, and passed, with Mr. Maragos abstaining.

REPORTS OF STANDING COMMITTEES

Leases and Agreements Committee

Counsel Leroy reported that we are trying to obtain an approval of a remediation plan for the Clean Harbors property. A status hearing is scheduled for March 3, and so discovery related to a lawsuit is on hold at this time.

Regarding North America Stevedoring, Counsel Leroy informed the members that the next court date is on January 21; however we will be meeting with NASCO to obtain an estimate of the dock wall repair and dredging costs in an attempt to settle the dispute out of court.

There was nothing to report regarding the master lease.

The Finance and Personnel Committee recommended that the Board wait until the next meeting to act on the Security RFP while more information is secured from the respondents.

Regarding the 19th Hole Restaurant, Counsel Leroy informed the Board that we have been instrumental in attempting to bring the parties together although we are not a party to this dispute.

Consulting engineer Braam provided information on the U.S. Army Corps of Engineers report concerning the waterway system in Chicago. They have issued 8 alternatives to the Asian Carp problem without identifying any one of them over another. Public comment on their findings will continue through March 3, and although the Corps will not respond to comments, they will publish them.

Regarding the fire at the modular building at Harborside, Kemper Sports Management received a \$100,000 insurance payment which they have requested be spent to tear down the building and improve the appearance of the area. Mr. Bowen moved to allow Kemper to do so; Mr. Maragos seconded the Motion, and it passed unanimously.

An application for a new FTZ subzone site was submitted by Expeditors International of Washington, Inc. Mr. Bowen moved to approve the application; Mr. Wisniewski seconded, and the Motion passed unanimously.

Ad Hoc Committee on Reform

Ms. Santiago reported that the Committee had decided to focus on human resource practices and the fleet management policy.

Finance and Personnel Committee

Treasurer Oelerich reported on the Port income statement, balance sheet and check register for the month of December 2013. A Motion to accept the financial statements was made by Mr. Bowen, seconded by Mr. Wisniewski, and passed with Mr. Maragos abstaining.

Treasurer's Report

The financials for the full year will not be finalized until a report is completed by our actuarial. There still will be a large pension account charge; however we are above budget for the year even with that charge.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

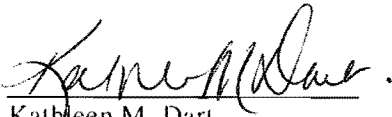
There was none.


PUBLIC COMMENT

Mr. Shepherd requested that he be allowed to make a presentation at the next meeting and also requested permission to conduct Earth Day activities on Port property on April 19, 2014. Vice Chairman Fitzmaurice will refer these requests to the Chairman and get back to Mr. Shepherd.

ADJOURNMENT

With no other business before the board Mr. Fitzmaurice made a Motion to adjourn. Ms. Williams seconded the Motion, and it passed unanimously. The next meeting will take place on February 21, 2014.


Kathleen M. Dart
Secretary


Terrence Fitzmaurice
Vice-Chairman