

**MICHIGAN CITY PORT AUTHORITY
BOARD OF DIRECTORS**

April 5, 2010

TIME & PLACE

The regular meeting of the Michigan City Port Authority Board of Directors was called to order at 5:00 p.m. in the Port Authority board room.

ATTENDANCE

President James Jaksa presided. Board members in attendance included James Cadwell, Jonita Davis, Todd Dickard, John Haynes, Sam Johns and Dan Messina. Harbormaster Tim Frame, Assistant Harbormaster of Administration Mary Ann Pawlicke and Assistant Harbormaster of Operations Dan Hoepf were also in attendance. Attorney Jeffrey Katz attended this meeting.

Guests in attendance included Dennis Lance and Leslie Herrold from Rackham Service Corp.

MINUTES

Upon motion made by Sam Johns, seconded by John Haynes, the board approved the minutes to the previous meeting.

BILLS

Upon motion made by Todd Dickard, seconded by James Cadwell, the board approved payment of the bills as presented.

REPORT FROM HARBORMASTER

Harbormaster Tim Frame informed the board he received confirmation from the *Army Corp of Engineers* that the permit has been approved for the Millennium Park Seawall Refacing Project. He notified Rick Smigielski of *Abonmarche Consultants* who in turn contacted *Thatcher Foundations* to begin work.

Harbormaster Frame reported the marina officially opened on Thursday, April 1st. The water service was turned on today at the 100, 200 and 300 docks; the remaining docks on the east side will be turned on tomorrow along with the fish cleaning station,

Harbormaster Frame informed the board on Thursday, April 1st, a twenty five (25') foot section of seawall collapsed along the north side of the channel. As this structure is property of the *Army COE*, it is their responsibility to repair it. Pictures have been taken in an effort to determine the status and they have scheduled a diver to take a more extensive look. As the collapsed area is not in the channel directly blocking the gap, it does not require immediate attention. Assistant Harbormaster Hoepf conducted a sounding test on the barge and confirmed there was no debris at five (5) to ten (10) feet out from the wall, but will go ahead and set a couple buoys to mark off the area. The Coast Guard also indicated no concern of any obstruction to the waterway.

REPORT FROM ASSISTANT HARBORMASTERS

Assistant Harbormaster of Operations Dan Hoepf reported that the following projects have been completed:

- Safety ladders have all been installed.
- Extensions installed on the 300 dock.
- Water turned on at Trail Creek Marina.
- Concrete steps to ramp have been repaired.
- Gravel set around shelter.
- Beach has been leveled with bulldozer.

Assistant Harbormaster Hoepf informed the board he attended a meeting regarding goose control management in which it was suggested both landscape and erosion control plays a factor.

Safety report: The staff has completed 632 days (7,063 hours) without an incident and 1,668 days (18,531 hours) without a lost time accident.

There was no report from Assistant Harbormaster of Administration Mary Ann Pawlicke.

COMMITTEE REPORTS

On behalf of the ***Budget and Financial Oversight Committee***, Todd Dickard had nothing to report. He did however review the status of the bond payments from the previous meeting stating the written thirty (30) day notification had been sent, however there has been no response as yet. Communications continue with the controller's office.

Sam Johns spoke of previous discussions the board has conducted regarding the amount of money devoted to sponsorship of non Port Authority activities and requested a report be prepared indicating these numbers, to determine a budget. Mr. Dickard informed him the only report currently available are the expenditures related to the *In-Water Boat Show*. He will work with Assistant Harbormaster Pawlicke to prepare a more extensive report.

On behalf of the ***Claims and Insurance Committee***, James Cadwell had nothing to report.

On behalf of the ***Master Planning and Special Projects Committee***, Sam Johns, in reference to the recent events and projects involving the *Army COE*, commented that he was encouraged by the general attitude of the representatives for not only their knowledge but their interest in Michigan City.

In regards to the ***Master Plan***, Mr. Johns informed the board he is waiting for a preliminary draft and once submitted they will conduct individual critiques, then conduct a review based upon those critiques.

On behalf of the ***Boater Communications and Special Events Committee***, John Haynes had nothing to report.

On behalf of the ***Port Operations, Personnel and Marina Policy Committee***, Sam Johns informed the board the contract for the lease of *Dockside Café* has been completed and signed.

Mr. Johns informed the board the committee met earlier to discuss various issues to increase winter storage; once they have a chance to review with the staff, a presentation will be given during the next meeting.

On behalf of the ***Public Relations and Advertising Committee***, Jonita Davis presented a postcard notification that had been mailed to all customers informing them of our website and instructing on how to sign up for e-mail alerts. These

alerts can be used for emergencies, slip availability, winter storage sign up and general marina notifications. The system allows both easy access and termination at any time. Input can be accessed by the Harbormaster, Assistant Harbormaster Pawlicke, Ms. Davis and Scott Wills with Catalyst. Mrs. Pawlicke informed the board Mr. Wills notified her that so far ninety five (95) people had signed up.

Mr. Johns commented on the amount of activities planned as part of this year's *Summer Fest* and inquired if the Port Authority will be taking part in any of them; Ms. Davis informed him she would look into it and report back. Attorney Katz informed her the activities related to the Grand Prix Super Boat Race were being coordinated through the *LaPorte County Tourism Bureau* and *Parks Department* and suggested she could contact their liaison. Mr. Johns went on to suggest we look into some new and unique advertising in partnership with the boat show.

As the Port Authority provides reduced and free docking along with other amenities to participants of the Pro/Am and CoHo Classic Tournaments, Ms. Davis also suggested we should be included as sponsors in their advertising.

NEW BUSINESS

Attorney Jeff Katz informed the board, in 2007 the M.C.P.A. entered into a contract with *12 On The Lake, LLC.*, to lease the portion of real estate surrounding the old Yacht Club. Evidently, notwithstanding execution of lease, *12 On The Lake, LLC.* never came into title with the real estate.

With the recent change in management at the former *Harbor Grill*, this came to light and so *12 On The Lake, LLC* has assigned its interests in the lease to *On The Lake Holdings LLC.*, which, as landlord, requires consent of the Port Authority. These changes have been incorporated and assigned and Attorney Katz requested the Port Authority board of directors to execute consent. He went on to explain the only change is the entity and not the terms of the lease.

Upon motion made by John Haynes, seconded by Sam Johns, the board approved to sign the lease of property formerly known as *Harbor Grill*, from *12 On The Lake, LLC.* to *On The Lake Holdings, LLC.*

OLD BUSINESS

During the previous meeting, the fuel bid contract had been awarded to *Rackham Service Corp.* per Attorney Katz' recommendation which had been based upon erroneous information. Since then, Attorney Katz informed the board the original bid notification required that Valve-Tech be included in the proposal.

Upon further review, it has come to light that *Rackham Service Corp.* did not include this provision but *Witham Sales & Service* did. Subsequent to this discovery, notices were sent to both parties rescinding the award. Attorney Katz reviewed the bids again as follows:

	Knoll Bros.	Rackham Service Corp.	Witham Sales & Serv., Inc.
	Michigan City, IN	LaPorte, IN	Hammond, IN
Gasoline			
87 Octane	2.3785	2.3475	2.2566
93 Octane	2.5085	2.4775	2.4485
Diesel			
Grade 1	na	na	2.420
Grade 2	2.216	2.234	2.1607
Low Sulfur	na	na	2.1057

Dennis Lance, owner of *Rackham*, informed the board that as our fuel provider last season, he had explained that he found it difficult to deal with the Valve-Tech company and had informed us he would either provide it himself at two cents per gallon as requested, or we could provide it and he would add it. Subsequently the Port Authority agreed to provide it for *Rackham* to add to the fuel. Mr. Lance explained this was why he did not include it with this years' bid as it was assumed to again be in agreement with the Port Authority; in light of this, *Witham Sales & Service* has declined to sell them the additive. Mr. Lance went on to assure the board he can acquire the Valve-Tech contract for distributorship again this year without a problem and feels he and his company are above board and would love to have the opportunity to service us again this season.

Attorney Katz explained that the problem with us providing the Valve-Tech inclusion makes us responsible for any vessel damages or personal injury. He went on to state despite who is awarded the contract, it can be reevaluated in the event of a price change. Attorney Katz went on to recommend *Witham Sales & Service* as being the lowest and most responsible and responsive bidder.

Ms. Davis interjected that it was the recommendation of the staff to continue with *Rackham*, however Attorney Katz stated they were not the most responsible bidder as they did not meet the requirements. Should the board decide to rebid the contract, they would need to place notice in the News Dispatch immediately to give them seventeen (17) days; proposal could not be awarded until May 4th. Due to our current fuel status, it was the consensus not to wait.

Upon motion made by Jonita Davis, seconded by John Haynes, the board awarded the fuel contract to *Witham Sales & Service, Inc.*, with the option to rebid at a later date should it deem necessary.

ADJOURNMENT

Upon motion made by Sam Johns, seconded by James Cadwell, the board adjourned the meeting at 6:00 p.m.

Respectfully submitted,

John Haynes, Board Secretary

Approved On: _____
Date

By: _____
James Jaksa, Board President