

**MICHIGAN CITY PORT AUTHORITY
BOARD OF DIRECTORS**

November 2, 2009

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 Todd Dickard, Jonita Davis, 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.

Board member James Cadwell was unable to attend this meeting.

Attorney Jeffrey Katz was not asked to attend this meeting.

Washington Park Marina slip holder Mike Halpin was the only guest in attendance.

MINUTES

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

BILLS

Upon motion made by Sam Johns, seconded by Jonita Davis, the board approved payment of the bills as presented by Assistant Harbormaster of Administration Mary Ann Pawlicke.

GUEST COMMENTS

Mike Halpin informed the board, as a sail boater with a 4.5' draft, he cannot navigate the channel due to low water depths, and consequently has been unable to store his vessel at Trail Creek Marina over the last couple of years. He expressed his personal concerns as well as how this may affect any loss of revenue for the Port Authority, and inquired if any preparations were being made to rectify the situation.

Harbormaster Frame explained that in terms of the ongoing dredge project, he along with the Board of Directors have been aggressively pursuing the process of retrieving permits through the *Army Corp. of Engineers (ACOE)* and *Indiana Department of Environmental Management (IDEM)* for almost two (2) years. Last November soil samples were taken to satisfy the requirements of both ACOE and IDEM to test the material for disposal. A meeting was attended last Friday, October 30th, and although the ACOE was satisfied with the results, unfortunately IDEM did not accept the thoroughness of testing and have required that six (6) additional samples be taken as the standard of criteria changes.

In addition, the ACOE has only one-half of the funding available for a trail creek dredge which has been estimated at a cost of \$1,300,000.00. Communications have been ongoing with our State Congressman for additional money to be appropriated towards the project. Once samples and testing have been accepted, we will continue to pursue state and federal funding.

Harbormaster Frame went on to explain to Mr. Halpin, that the process of clearing out the hoist well also requires a permit and cannot easily be done until the dredge project can be initiated. Mr. Johns informed him that it was the Port Authority's intention and hope to begin the project this winter. Due to the new setbacks given by IDEM, along with lack of funding, the project has now been pushed back to next winter. Mr. Johns expressed our regret in the ongoing delays, but unfortunately they have been unavoidable and we are well aware of the economic influence along with the loss of revenue that impacts not only the marina but the City. All information regarding the process and progress are a matter of record in the minutes of the board meetings. Mr. Jakska reiterated that we understand how critical the situation is and will continue to pursue every avenue on both State and Federal levels.

REPORT FROM HARBORMASTER

Harbormaster Tim Frame reported on the following:

- IDEM Project Site Visit, Wednesday, October 21st
 - NIPSCO Ramp Project
 - Attendees
 - Julie Morin, Grant Administrator IDEM
 - Tony Sullivan, Grant Coordinator IDEM
 - Jennifer Schick, OPPTA Program Director IDEM
 - Rick Smigielski, Abonmarche Senior Project Manager
 - Discussion
 - Reviewed cost submitted for project and detail of transient slips. A Grading Criteria Meeting will be held at the end of the month in which all national projects will be reviewed and graded for allocation of grant funding. This decision will be announced in February 2010.
- Meeting, Friday, October 30th
 - Trail Creek Dredge Project
 - Attending Groups
 - Department of National Resources (DNR)
 - IDEM
 - National Park Service
 - Discussion
 - Sediment disposal
 - Additional testing
 - Three (3) at NIPSCO ramp site
 - Six (6) at upper trail creek
- Six (6) boats remaining in marina basin.
- Now that the season is officially over, both the office and Trail Creek Marina will revert back to their respective winter hours of operation.
- Touch up of dune grass planted along south wind catcher. In response to the use of snow fencing during the winter months, Harbormaster Frame informed the board the plastic fencing tends to tear and break apart under the weight of the snow and post removal is an issue. We hope to eliminate that this season by bulldozing trenches along the beachside.

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REPORT FROM ASSISTANT HARBORMASTERS

Assistant Harbormaster of Operations Dan Hoepf reported that marina water shut off and clearing water lines will be completed this week. Final haul outs to be completed with any remaining boats, at which time the maintenance staff will commence with their winter projects. He went on to inform the board we can accommodate additional boats for storage if necessary, however our overall customer volume remains about the same as last year.

Assistant Harbormaster Hoepf also informed the board there had been only one (1) incident pertaining to a sail boater (28' vessel) with a deep draft of 4' 8", which had gotten hung up at the Blue Chip Casino gap and had to be towed back to Washington Park Marina. A couple days later when wind and weather conditions fluctuated, he navigated safely back to Trail Creek and was pulled out.

Safety report: The staff has completed 511 days (6,083 hours) without an incident and 1,541 days (17,565 hours) without a lost time accident.

Assistant Harbormaster of Administration Mary Ann Pawlicke informed the board as responses from 2010 season renewal notices start coming in, we will see the slip and rack availability fluctuate each week. This is the time of year in which slip transfers are being made, consequently we may not begin to see an exact counting of vacancies until after this process dies down closer to spring. In Washington Park we have a handful of 40' slips and two 60' slips still unoccupied, with a few openings at Trail Creek. It is not unusual to see a lack of new customer interest over the winter months, then see it peak following the holiday season.

Assistant Harbormaster Pawlicke also reported there was an increase in monthly rentals at Sprague Pointe Marina this season.

COMMITTEE REPORTS

On behalf of the **Budget and Financial Oversight Committee**, Todd Dickard reviewed his previous investment proposal to gain a higher yield on our money market account. In compliance with City Controller John Schaffer, Mr. Dickard made a recommendation to place these funds into six (6) CD's which will be monitored and if at such time deemed necessary, can be liquidated.

Certificate of deposits to be broken down as follows:

1. Two (2) 90 day CD's
2. One (1) 6 month CD
3. One (1) 12 month CD
4. One (1) 18 month CD
5. One (1) 24 month CD

These CD's would yield anywhere from 2.5% - .5% interest over a two year period.

Upon motion made by Todd Dickard, seconded by Sam Johns, the board approved the transfer of the Fifth/Third Bank money market account to various Certificate of Deposit accounts as proposed.

Board President James Jaksa abstained his vote due to his affiliation with another banking institution.

There was no report from the **Claims and Insurance Committee** during this meeting.

On behalf of the **Master Planning and Special Projects Committee**, Sam Johns informed the board we were moving forward with the engineering and development stages of the proposed NIPSCO launch ramp.

In regards to the undermining of the seawall at Millennium Plaza, Mr. Johns informed the board, the project is at a standstill until we receive approval of our recommendation on the repair method from ACOE. Upon approval, we can finalize the engineering and prepare bid packages. Although Mr. Johns is unable to provide a start date, once the engineering gets underway, it should take approximately two (2) weeks to complete.

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On behalf of the **Boater Communications and Special Events Committee**, John Haynes informed the board he met with the *Summer Festival Committee* to discuss implementing a 'Harbor Festival' in 2010. This festival would be scheduled the weekend of the cardboard boat race and suggested it include a kayak race and Venetian night. The evening would conclude with a city party at Millennium Plaza. Mr. Haynes will contact the representative from the kayak club and went on to state the committee requested they would like for the Port Authority to provide security, dumpsters, port-o-pots and bleachers during the event weekend. Assistant Harbormaster Pawlicke informed him, per communications with Shannon Eason from the Parks Department; she had already contacted the director of the kayak club regarding the event and also stated that bleachers are provided through the park.

On behalf of the **Port Operations, Personnel and Marina Policy Committee**, Dan Messina had nothing to report.

On behalf of the **Public Relations and Advertising Committee**, Jonita Davis reported that she had examined results of the Port Authority's recent advertising which showed minimal quick view hits from both the radio and newspaper sites. In addition, reports through the office show that the majority of new customers gained for next season have come by way of a referral. Ms. Davis did feel however that the recent winter storage advertisement may have assisted in reminding our customers that we provide storage services.

Once the radio and newspaper advertisements expire, Ms. Davis recommended they not be renewed.

Ms. Davis submitted a report of a review for the website calculating the number of visits it received from June through October, as well as other web pages that link to our site. In conclusion, she recommended we continue to utilize the website during the 2010 season. The committee will make suggestions and updates to the site to combine, spring, summer and fall events during the 2010 season, along with updates on the various marina projects.

OLD BUSINESS

There was no old business to report during this meeting.

NEW BUSINESS

Sam Johns discussed the 500 dock bathhouse stating it has been the consensus of the board, staff and boaters that it is substandard in comparison to the other marina bathhouses. As part of the Master Plan, he would like to begin a bid process and once the board has an idea of the total cost, they can move towards a commitment to upgrade within a five (5) year period.

Upon motion made by Sam Johns, seconded by Jonita Davis, the board approved a cost of \$15,000.00 to be paid towards a new bathhouse for the engineering, bidding and bid review, ~~not to include construction.~~

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As part of the Master Plan, the Port Authority is responsible for the dock lines from E. Street Bridge to the lake. Mr. Johns recollection was this needed to be updated every five (5) years and to date, has not been updated since 1995. Since that time, additional waterside property has been acquired and sold, and with the development of a new launch ramp there have been many dynamics which have changed the Master Plan over the last fifteen years. With the north end development ensuing, and future funding that could become available, this needs to be addressed with the proper representation that a new Master Plan will provide.

Upon motion made by Sam Johns, seconded by Todd Dickard, the board approved to update the M.C.P.A. Master Plan for all areas the Port Authority is responsible for, not to exceed an amount \$12,500.00.

ADJOURNMENT

Upon motion made by Sam Johns, seconded by Jonita Davis, the board adjourned the meeting at 6:15 p.m.

Respectfully submitted,

John Haynes, Board Secretary

Approved On: _____

By: _____
James Jaksa, Board President