

**MICHIGAN CITY PORT AUTHORITY
BOARD OF DIRECTORS**

December 7, 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 James Cadwell, Jonita Davis, Todd Dickard, John Haynes and Sam Johns. Harbormaster Tim Frame, Assistant Harbormaster of Administration Mary Ann Pawlicke and Assistant Harbormaster of Operations Dan Hoepf were also in attendance. Board Attorney Jeffrey Katz attended this meeting.

Board member Dan Messina was unable to attend this meeting.

Guest in attendance was Herb Philbrick, *MCYC Vice Commodore of Sail*.

MINUTES

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

BILLS

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

REPORT FROM HARBORMASTER

Harbormaster Tim Frame had nothing to report as the staff has completed haul out services and are now working on customary winter maintenance projects.

During the November 16th board meeting, Herb Philbrick had requested an array of services and docking privileges for the 2010 sailing events. Harbormaster Frame reviewed costs incurred by the Port Authority during this year's racing events. Per Inquiry from Sam Johns, Assistant Harbormaster Pawlicke informed the board although the Port Authority does not have a specific budget for these events; funds have been redirected from annual boat show profits in the past. Mr. Johns suggested a line item be established within the budget, which authorizes a specific dollar amount to be used annually. Mrs. Pawlicke went on to explain the payroll overtime section could also be set aside as a line item for events, and without having to determine a specific amount, any surplus funds would transfer to other accounts at the end of each year. Mr. Jaksa requested that she and Mr. Dickard review this with the controller's office.

When inquiring about direct funding received from the Yacht Club, Mr. Philbrick explained that the entry fees received only covers the cost of trophies and they have no other source of income. Sponsorship from the LaPorte County Tourism Bureau, West Marine and the Economic Development Corp. pays for the cost of the band and party. Mr. Johns expressed his concern that as the Port Authority receives no city taxes and is self-supportive, these funds are out of pocket. He suggested they pursue other local sponsors' in the future.

Upon motion made by Todd Dickard, seconded by James Cadwell, the board approved funding of the 2010 sailing events as presented.

Mr. Philbrick submitted an augmented request of the August 14th *MCYC Dunes Cup Regatta* which will be host for the *Star Class District Championships*. The Star Fleet anticipates twenty five (25) participants and is requesting the following:

- Daily use of both dry-sail cranes (must be in good working order)
- Trailer parking (28)
- Portable toilets
- Dumpster (1)

Harbormaster Frame explained that the two (2) hoists located behind Harbor Grill were initially installed for seasonal 'Dry-Sail' customers, but has now dwindled down to only one semi-seasonal customer this year, which to date has not renewed for 2010. In addition, only one hoist is operational; as we have no year round users for these, it may not be cost effective to make repairs necessary for one event.

REPORT FROM ASSISTANT HARBORMASTERS

Assistant Harbormaster of Operations Dan Hoepf reported on the following:

- Holiday lights were turned on during Saturday's lighting ceremony.
- Finger piers are in the process of being raised along the Washington Park Marina docks.
- Plywood being installed along the fencing at eastside of marina.
- Sand berms have been constructed and installed and are having a positive effect.
- Safety report: The staff has completed 546 days (6,363 hours) without an incident and 1,590 days (17,813 hours) without a lost time accident.

Assistant Harbormaster of Administration Mary Ann Pawlicke report on the following:

- Second billing (1st installment) for 2010 season slips will be mailed next week; payments due by January 15th.
- Due to the approaching holiday, the next board meeting is scheduled for Monday, December 14th.
- WPM vacancies: Twenty one (21) slips / four (4) jet ski docks.

Per Mr. John's request, Mrs. Pawlicke and Mr. Dickard will prepare a yearend financial report to be reviewed during the first meeting in January.

COMMITTEE REPORTS

On behalf of the ***Budget and Financial Oversight Committee***, Todd Dickard informed the board City Controller John Schaefer has executed funds from the Fifth / Third Account for the purchase of four (4) certificates of deposit as follows:

- ✓ Fifth / Third Bank:
 - \$250,000.00 for 13 months @ 1.49%
 - \$325,000.00 for 24 months @ 2.13%
- ✓ Horizon Bank: \$250,000.00 for 6 months @ .850%
- ✓ First Source Bank: 2 x \$250,000.00 for 91 days @ .40%
- ✓ LaPorte Savings Bank: \$250,000.00 for 12 months @ 1.51%

Upon motion made by Todd Dickard, seconded by Sam Johns, the board approved purchase of Certificate of Deposits from the Fifth / Third Bank account surplus fund as presented.

On behalf of the **Claims and Insurance Committee**, James Cadwell invited Tom Cipares of *General Insurance Services, Inc.*, to present the 2010 Port Authority Insurance Summary to the board. Mr. Cipares submitted copies of the proposal, which was prepared in the same format as in previous years. With the exception of the Public Officials Liability, which is due on January 24th, the majority of Property Causality Insurance coverage falls due on January 1st. No new bids have been solicited this year as *The Hanover Insurance Group* was added in the 2008/09 package policy previously written through Beacon Insurance. The following policies were reviewed and discussed:

- ✓ **Worker’s Compensation Policy, written by: Accident Fund Insurance Co.**
- ✓ **Commercial Automobile Coverage, written by: Property-Owners Insurance Co.**
- ✓ **Bumbershoot, written by: The Hanover Insurance Group**
 - **Auto Liability**
 - **General Liability**
 - **Employers Liability**
 - **Marina Operators Liability**
- ✓ **Public Officials Liability, written by: Darwin Select Insurance Co.**
 - **Public Officials Claim Coverage**
- ✓ **Commercial General Liability Coverage, written by: The Hanover Insurance Group**
- ✓ **Property Coverage, written by: The Hanover Insurance Group**

PREMIUM COMPARISON

	<u>2009</u>	<u>2010</u>
<i>Workers Compensation</i>	\$ 6,319.00	\$ 6,512.00
<i>Automobile</i>	\$ 2,678.37	\$ 2,816.38
<i>Bumbershoot</i>	\$ 26,580.00	\$ 24,648.00
<i>Public Officials (pending)</i>	\$ 5,574.00	\$ 5,574.00 estimate
<i>Taxes & Fees</i>	\$ 441.73	\$ 441.73
<i>Package</i>	\$ 58,157.00	\$ 58,295.00
<i>Marine Operators</i>	<i>Included</i>	<i>Included</i>
<i>Watercraft Liability</i>	<i>Included</i>	<i>Included</i>
<i>Protection & Indemnity</i>		
 TOTAL PREMIUM	 \$ 99,750.10	 \$ 98,287.11
 Optional Terrorism	 \$ 301.00	 \$ 276.00
Optional Crime	n/a	\$ 300.00

Mr. Cipares advised the board the Port Authority should have an outside appraisal done to establish insurable replacement cost of all buildings. The last appraisal had been conducted approximately seven years ago.

Upon motion made by James Cadwell, seconded by Jonita Davis, the board approved the 2010 M.C.P.A Insurance and Coverage Policy as submitted by *GIS, Inc.*, minus the optional terrorism and crime coverage in the amount of \$98,287.11.

On behalf of the **Master Planning and Special Projects Committee**, Sam Johns informed the board a bidder’s conference has been scheduled for January 6th, 2010 regarding the Millennium Plaza seawall project. Engineering for the bathhouse project has been temporarily placed on hold until we receive the ADA (*Americans with Disabilities Act*) restroom requirements.

On behalf of the **Boater Communications and Special Events Committee**, John Haynes informed the board there was an excellent turnout for the chili cook-off and holiday lighting ceremony held on Saturday, December 5th.

There was no report for the **Port Operations, Personnel and Marina Policy Committee**. Jonita Davis informed the board there would be a committee meeting on Wednesday, December 9th to discuss the office time management audit.

On behalf of the **Public Relations and Advertising Committee**, Jonita Davis reviewed the advertisement to be placed in Scuttlebutt Magazine, January's boat show issue.

OLD BUSINESS

There was no old business to report during this meeting.

NEW BUSINESS

The board reviewed a new report accrued through the Port Authority's computer system which accumulates marketing data and analyzes the customer base locale for seasonal slip and rack customers, winter storage customers as well as those that are have submitted an application on our wait list. (see attached)

Mr. Jaksa reviewed a letter received from Ken Alvey, LEMTA President, stating the traditional weekend prior to the Labor Day holiday weekend for the In-Water Boat Show has been selected by the *American Sail Training Association* for its Tall Ships Challenge in Chicago. As such, Mr. Alvey has requested permission to move the 2010 boat show from August 26th thru 29th, to August 19th thru 22nd.

As the annual Lakefront Art Festival has been scheduled for this same weekend, Mr. Jaksa informed the board he spoke with Philip Latchford of the Park Board; and although there are some concerns, he agreed they were not insurmountable.

In addition, Mr. Alvey expressed his concerns that the boat show would likely face the same financial obstacles as this year and hoped again for the Port Authority's assistance. As per the contract we have with LEMTA, the M.C.P.A. receives a percentage of all rental and gate fees each year; these fees were waived for the 2009 show.

Upon motion made by Sam Johns, seconded by John Haynes, the board approved that the *2010 In-Water Boat Show* be held on August 19th thru August 22nd as requested per Ken Alvey of LEMTA.

Jonita Davis recommended at some point the board review the contract between M.C.P.A. and LEMTA for future modification, so as to aid and benefit both parties. Mr. Jaksa reiterated that as the original agreement had been set up during much different economic times and as circumstances have certainly changed, the board reassess after the first of the year.

ADJOURNMENT

Upon motion made by Sam Johns, seconded by James Cadwell, the board adjourned the meeting at 6:20 p.m.

Approved On: _____
Date

By: _____
James Jaksa, Board President

Respectfully submitted,

John Haynes, Board Secretary