

Upper Mississippi River International Port District

BOARD MEETING MINUTES

Date: July 27, 2023
Time: 13:00 CDT
Location: Board Room
18901 B St
Savanna, IL 61074

I. Call to Order

A roll call was held and it was noted that Jeff Doran, Jim Francis, Steve Keeffer, Lance Larsen, and Ken Sandy were present. A quorum was met with all five Commissioners in attendance. The meeting was called to order at 1:01 pm.

It was noted that approval of minutes for the prior meeting was not on the agenda for this meeting. The Commissioners agreed that approval of June meeting minutes would be voted on at the next board meeting.

II. Approval of the Agenda

A motion to approve the meeting agenda from Commissioner Francis, seconded by Commissioner Keeffer, approved by voice vote unanimously.

III. WSP Presentation

Presenters were introduced by WSP Consulting (represented by Alan Meyers as Project Manager and Adam Miliszewski, Deputy Project Manager), including Balcom Environmental (represented by Linda Balcom, Environmental Lead), and Martin Associates (Jeff Sweeney, Market Lead).

WSP, Balcom, and LRA (Mara Roche and Rob Davies) presented to the Commissioners an overview of the Port master planning process. There was also a discussion of the LRA reuse planning and its connection to Port planning, led by Mara Roche and Rob Davies. WSP identified the goals as developing a blueprint and roadmap for organizational action and investment, consistent with state planning requirements. Next steps in the planning process were outlined.

Commissioner Larsen thanked the presenters and suggested that in the interest of time the Commissioners would absorb the information presented and return with any questions following the meeting.

IV. On-Going Business

- A. **Master Planning Process.** It was agreed that all Commissioners should have the opportunity to participate in Port Master planning meetings, subject to compliance with Open Meetings Act (5 ILCS 120/1). WSP will be informed of participating Commissioners on an on-going basis.
- B. **Asset Recovery.** Commissioner Larsen noted that he was working with Illinois CMS to identify all surplus property assets that have been acquired by UMRIPD from CMS. As the sole remaining Commissioner since last acquisition of surplus property from Illinois CMS, Commissioner Francis was asked whether he had any comments regarding the list of missing assets that had been distributed to Commissioners participating in those acquisitions. Commissioner Francis explained that he would go through the list line by line and provide his response to the whereabouts and/or disposition of such assets. He further noted that after a 12 - 18 month retention period there were no requirements for UMRIPD to keep anything and that 90% of the assets have been disposed of by now.

Commissioner Larsen inquired whether any of the Commissioners had acquired any of these assets from UMRIPD. Commissioner Francis stated that he had invested his own time and money to retrieve the assets so those costs would have to be recovered. He further stated that he still has some assets in his possession and that some or all of the Commissioners had acquired property from UMRIPD.

Commissioner Doran asked who the contact at CMS was, to which Commissioner Francis replied Tom Whitehead and Tom Burke. Commissioner Doran discussed his understanding of the state's lessor program and Commissioner Francis stated that the CMS program is different, and that initially property has to be retained for 12 months to 18 months, after which CMS didn't care what happened to it.

Commissioner Keeffer asked how long it's been since property was acquired from CMS by UMRIPD. Commissioner Francis stated that it has been a year or two, and that a couple of Humvees might still be in that 18 month period and are being held by Kevin Stier. Commissioner Keeffer asked how complete the list of assets were and what our intention is to resolve the location of assets. Commissioner Larsen stated that as a public body, the Commissioners have a duty to account for assets of UMRIPD and proceeds of disposition. Commissioner Francis stated that proceeds of sales primarily went to Commissioners after they paid 5% over UMRIPD cost to acquire those assets. He also stated that there were some sales directly from UMRIPD to external parties but he did not have information on those sales.

Commissioner Larsen explained that UMRIPD had received information from participating Commissioners on only 9 asset sales out of over 480 assets. Commissioner Francis stated that the majority of the remaining 470+ assets were acquired by Commissioners pursuant to their right to take those assets at 5% of UMRIPD's acquisition cost. Commissioner Larsen asked Commissioner Francis whether he understood that Commissioners are prohibited by law from acquiring assets from UMRIPD, to which Commissioner Francis replied that that would be an issue for the board of UMRIPD because there was a resolution passed by the board that allowed those transactions.

Commissioner Larsen requested again a response about the disposition and/or location of all assets and proceeds from any sales. Commissioner Francis stated that would be a joint effort among himself, and former Commissioners Jahnke and Stier. Commissioner Doran asked whether we knew the total amount of assets that had been acquired. Commissioner Larsen responded that according to current information from CMS, UMRIPD had spent approx \$100,000 to acquire property whose acquisition cost to GSA and Illinois was approx \$4,000,000. Commissioner Francis stated that all of the money used to acquire this property was money loaned by Commissioners to UMRIPD.

- C. **Terminate Former Commissioner's Homes as UMRIPD Places of Business.** Commissioner Larsen noted that a prior action of the board of UMRIPD designated the home addresses of Commissioner Francis, and former Commissioners Jahnke, Stier, and Brunner, as places of business of UMRIPD. There was a motion by Commissioner Doran, seconded by Commissioner Sandy, to revoke that resolution and remove any home addresses of Commissioners as places of business of UMRIPD. A roll call vote was taken and was approved by Commissioners Larsen, Keeffer, Doran, and Sandy, with a dissenting vote by Commissioner Francis.
- D. **Discussion of Appointment of Ethics Officer.** It was noted by Commissioner Larsen that the Office of Executive Inspector General mandates an ethics officer be appointed by UMRIPD. Commissioner Doran indicated that he inquired whether the state's attorney in Carroll County would be willing to serve as ethics officer, but that offer was declined. Commissioner Francis stated that Mike Doty still is the ethics officer, having been appointed in 2010, and had attended board meetings for the first six years of UMRIPD operations. Commissioner Francis also indicated that Dan Reimer was appointed as well in 2010, and that Dan stopped attending meetings in the first few years of operation. Commissioner Francis stated that neither Doty nor Reimer had resigned as ethics officer, and offered to distribute to the other Commissioners the meeting minutes showing those appointments. The board agreed it would further discuss the ethics officer position at the August 2023 board meeting after reviewing the 2010 minutes.
- E. **Savanna Industrial Park security update.** Mara Roche stated that there had been further criminal activity at Savanna Industrial since the last board

meeting in June. Roche indicated that the LRA was now in possession of certain roadways upon transfer from Carroll County. The suggestion was made that the roads could be closed to the public and/or monitored, with financial support from tenants at the Park. It was noted that there are Port Infrastructure Security grants available and recommended that they be applied for to supplement costs of instituting a formal security regime. It was suggested that the board of the LRA, as owner of the roads, could address the question of whether to use road closures/monitoring to improve security at the Park. It was noted that unfortunately much of the criminal trespass and theft occurred on DoD-owned property and that DoD refuses to prosecute. Amiee Martelle (Riverport Railroad) stated that she spoke with TSA and they told her there was a federal reporting number to call for any activities that threaten rail activity. Martelle stated that she would continue to make those calls for violations she is aware of. Rob Davies asked Ed (Midwest 3PL) how many trucks were coming and going and at what times. Ed indicated that about 30 trucks overnight and that some trucks are just laying over to the morning, but there are a lot of trucks coming in for deliveries to ADM at 2 am. Roche indicated that there were also problems with entries during daylight hours. Mike Potempa and Steve Potempa (Twin Image) indicated that they had been actively communicating with private security regarding surveillance and thought a gate at the main entrance was a good idea. Potempa suggested that some of the offenders are former employees of tenants at the Park. Commissioner Doran suggested that investment in high quality cameras is essential for law enforcement to pursue leads. Roche suggested a follow up meeting for all interested parties to further examine the security issue and come up with a plan. Commissioner Doran suggested including Brian Stewart (private security company owner) to be involved in that meeting.

V. New Business

- A. **Access to PO Boxes.** Commissioner Larsen noted that we need to obtain access to PO Boxes in UMRIPD's name. Motion by Commissioner Larsen, second by Commissioner Doran, to authorize any Commissioner to contact and obtain access or close those boxes, passed by voice vote unanimously. Commissioner Sandy offered to follow up and ensure those boxes were handled.
- B. **Discuss changes to UMRIPD internet domain and website.** Commissioner Larsen noted that the current UMRIPD website and domain are not being used and that UMRIPD is eligible for a .gov domain. Commissioner Sandy moved, and Commissioner Doran seconded, to authorize all necessary actions to obtain a .gov domain. Passed by voice vote unanimously. The Commissioners agreed to follow up at the next meeting to discuss a new website and how to develop and use that website for UMRIPD business and notifications to the public.

VI. Reports

A. Treasurer

1. **Bank Accounts.** Commissioner Sandy provided an overview of the current bank account structure at First State Bank. The operational account is held at Polo branch, and the development account is held at Lake Carroll branch. The account balances and prior month activity were summarized. No changes to the accounts are necessary at this time.
2. **3234 McIntyre Rd.** Commissioner Francis explained the rationale for purchase of 3234 McIntyre Rd, which related to strategic location for prospective port operations. Commissioner Sandy summarized communications to date with Gary Frederick, to whom UMRIPD has an outstanding note with a balloon payment due in January 2024. We are current on our payments and next payment is due for September 2023. Commissioner Sandy to look into whether we shut off power at Building 10 to conserve cash.
3. **Online banking access to Mara Roche.** Commissioner Larsen moved to authorize any Commissioner to work with First State Bank to give Mara Roche online access to the bank accounts of UMRIPD, seconded by Commissioner Sandy. Roll call vote taken and unanimously approved.
4. **Restatement of Financials.** Commissioner Larsen asked the board about suggested next steps for restating UMRIPD's historical financials. Commissioner Sandy and Roche stated that they would meet to discuss how to restate historical financial operations. Commissioner Larsen reiterated the need for a complete electronic record from the prior Treasurer Jahnke. Commissioner Francis noted that Kevin Stier was the Treasurer prior to Treasurer Jahnke's tenure in that role.
5. **GATA Filing.** Roche reported that this filing was being completed on the basis of former Commissioner Jahnke's financial disclosures. Commissioner Sandy and Roche to complete the filing and bring any issues to the attention of the board at the next meeting.

B. Legal Counsel. The Commissioners discussed the process for identifying legal counsel to UMRIPD. Commissioner Keeffer noted the difficulty of finding counsel given UMRIPD's current cash position. It was agreed that the Commissioners would continue to consider options and discuss at the next meeting.

VII. Meeting Schedule. The Commissioners agreed to publish meeting dates for the remainder of 2023. It was agreed that meetings would occur at the LRA offices the last Thursday of each month at 1 pm. Commissioner Larsen requested Commissioner Francis, as Secretary, to publish these meeting dates to the public.

VIII. Reminders. Commissioners were reminded to complete Open Meetings Act training.

IX. Public Comment

Steve Potempa (Twin Image) expressed frustration with historical board meetings, noting an interaction with former Commissioner Jahnke who told him that UMRIPD was going to eminent domain his property (and that he has the interaction on video).

Potempa also expressed frustration with Jo Carroll Energy who he indicated will not enter into PPAs to support local power generation from solar or biomass. Potempa related other instances of actions by Jo Carroll Energy that resulted in prevention of business for Twin Images. Staff of LRA and Commissioner Larsen also indicated that they are aware of the issues with relying on JCE for energy requirements at the Park. Phil Jensen stated that JCE is a cooperative and not subject to the Interstate Commerce Commission. JCE has a long-term contract with Dairyland Energy. Their co-metering program provides that JCE (i) will only commit to buying renewable energy up to 5% of their total distribution needs, after which they can shut off any arrangement for acquiring solar energy, (ii) will never, regardless of how much renewable energy is produced, provide a renewable energy generator with a payment for excess energy, rather will only offer a credit against energy consumption, and (iii) extinguishes annually any excess credits that are not directly consumed in power usage from the grid. Jensen noted that existing regulatory and legislative framework do not mandate electric cooperative purchases of renewable energy. Commissioner Larsen suggested follow up at next meeting or before then to discuss actions that could further the energy interests of tenants of the Park and UMRIPD and the public. Potempa finished his comments by offering his assistance in the search for an ethics officer.

Ed Britton (USFWS) suggested that, in the original meetings initiating the LRA Reuse planning, Illinois DOT stated that the master plan should not identify anything on federal lands. Commissioner Larsen agreed to look into this and respond at the next board meeting or the upcoming Technical Advisory Committee conference.

Potempa requested a copy of the WSP presentation. An electronic copy to be distributed to interested parties.

X. Executive Session

A roll call vote was taken and it was agreed to move into Executive Session at 15:51 CDT. Attendees of the Session were Lance Larsen, Mara Roche, Steve Keeffer, Jeff Doran, Rob Davies, and Ken Sandy.

- A. 5 ILCS 120/2(5) - The purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired.
- B. 5 ILCS 120/2(11) - Litigation, when an action against, affecting or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is

probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting.

A motion by Commissioner Keeffer, seconded by Commissioner Doran, and voice vote was taken to end Executive Session.

There were no actions to be taken as a result of the Executive Session.

XI. Adjournment

Commissioner Francis moved, seconded by Commissioner Keeffer, to adjourn at approximately 16:09 CDT, unanimously approved by voice vote.