

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
TUESDAY, JANUARY 10, 2017
4:30 PM**

I. CALL TO ORDER

Chairman Colee called the meeting to order at 4:30 p.m. Commissioners Hanson, Whisman, Denault, Sender and Allen were present. Commissioner Kannaday arrived at 4:40 p.m. A quorum was acknowledged.

II. PUBLIC COMMENTS

No public comment

III. APPROVAL OF DECEMBER BOARD MEETING MINUTES

Commissioner Allen made a motion to approve the December board meeting minutes. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

IV. OLD BUSINESS

V. COMMITTEE REPORTS

- A. **Audit/Finance Committee** – No reason to meet. No report.
- B. **General Aviation Committee** – No reason to meet. No report.
- C. **Personnel Committee** – No reason to meet. No report.
- D. **Public Policy Committee** – The Committee met on January 6th and discussed the new agreements with the City of Bloomington. That item is under new business. The Committee also discussed the reorganization of the Authority as a means of enhancing the airport's competitive position. As a discussion ensued on this topic of the Committee report, it was decided a special Board meeting would be held later this month to further discuss this item.

VI. NEW BUSINESS

- A. **Approval of December Financials** - Diane Andes Finney reported that a principal and interest payment of about \$880,000 was made on the 2011 PFC bonds. As a result of this the net

position of the Airport, as a whole, dropped by a similar amount. Looking ahead, Diane also reported this will occur again in January with the net effect being neutral by the end of the fiscal year. The unrestricted cash balance is up from last month while the net position of the General fund is increasing gradually with a YTD bottom line of \$261,000. The fund balance has increased by about 28%. The biggest expense in the General fund this month was due to winter weather over the December 16th weekend. The Hangar fund and CFC fund both had weather related expenses for the month of December. The Hangar fund improved its bottom line and Staff expects it will continue to improve and have a positive bottom line by the end of the fiscal year. The interest rate on the variable bonds is now at 81 basis points.

Commissioner Hanson made a motion to approve the December financial statements. The motion was seconded by Commissioner Whisman and upon a unanimous vote, the motion carried.

B. Authorize Execution of New Intergovernmental Agreements with the City of Bloomington -
Initially crafted in 1972 and amended in 1995, the City of Bloomington and the Airport Authority have partnered with each other to provide CIRA with fire/rescue services in exchange for the City's use of Airport Authority owned fire stations.

In order to better capture the current conditions for each organization, Airport Authority and City staff with the support of legal counsel, engaged in lengthy discussions aimed at creating two (2) new agreements which better outline the partnership needs and the operating characteristics of each organization. The first agreement is a new intergovernmental agreement specifying the terms/conditions under which the City will continue to provide fire/rescue/EMS services to CIRA in compliance with FAA requirements. This agreement is very similar to the expiring agreement, with the exception of the Authority paying up to \$40,000 in specialized airport training for certain fire fighters at Station 6, the City paying for maintenance of the buildings and the Airport Authority paying for maintenance of the crash rescue vehicles/equipment. The second agreement is a lease agreement through which the City will lease fire stations #3 and #6 from the Airport Authority for municipal use, in addition to leasing approximately 3.7 acres for a possible new public works satellite facility. The term of both these agreements is thirty (30) years with a single, ten (10) year, mutually agreed upon renewal period. The lease rates for all 3 sites are based on appraisals and fair market value. Working together with the City, Staff was able to craft a cash neutral program which benefitted both organizations. As with the expiring agreement, the Airport Authority will continue to retain ownership of the property and structures with ownership of the improvements being transferred to the Authority at the end of the lease agreement. Related to this, should the City move forward with building improvements, they must first seek/secure Board approval of the work before moving forward.

The Public Policy met on January 6th and discussed these agreements at length. The members did not bring a recommendation forward to the Board as they wanted to engage the members in the discussion involving the proposed DPW site. A conversation ensued during which Carl provided further details involving the proposed use, the land valuation, and the required steps needed to move forward.

Commissioner Kannaday made a motion to approve the new Intergovernmental Agreements with the City of Bloomington, as presented. The motion was seconded by Commissioner Denault and upon unanimous vote, the motion carried.

VII. STAFF REPORTS

- A. **Executive Director's Report** – Carl reported that after experiencing 12 cancelled flights for the month of December, CIRA's enplanements for December were flat compared to December 2015. Similarly, CIRA finished 2016 with enplanements up just under one percent compared to calendar year 2015. The ice storm the middle of December had a large impact on CIRA. Allegiant generated higher traffic figures for both Orlando/Sanford and Clearwater/St. Pete, this was largely due mostly to the additional flights that were added during the holiday season. American's Dallas service continues to show strength while providing great connectivity. Chicago also exhibited a strong month, albeit also being impacted by the ice storm. Lastly, both of Delta's markets continued to perform well.

Next month, Staff expects to come to the Board with a request for an authorization to execute a new Law Enforcement Officer (LEO) agreement with the Sheriff's department. In 2005, the Board authorized an agreement with the Sheriff's department to provide armed security at the checkpoint. The agreement has expired.

Diane Andes Finney and Terry Reid continue to work very hard with the TSA's consultant to release the final \$1 million dollar retainage for the baggage project. Staff has recently weighed in with both the TSA and their consultant seeking to end the months of data exchange and encouraging their office to complete project closeout.

The new rotary snow equipment arrived earlier than anticipated. Once Staff have checked them out fully, they will be put into operation.

- B. **Deputy Director of Marketing** - Ms. Fran Strebing reported to the Board that the new passenger survey kiosk was installed January 6th. The survey first asks for the traveler's zip code and based on that, asks a series of questions depending on whether the traveler is local or a visitor to the community. The data will be gathered and Dr. Byers will share that back to Staff. There is a printer that will print a coupon for Tailwind. The coupon will also point the traveler to the survey on the new website.

The new website is getting a lot of positive feedback. Fran and Lynnette were trained on the content management of the website.

Fran will be attending the Routes Americas conference February 14th – 16th to speak with both incumbent and new air carriers.

Fran reported that Delta has advised the office they are moving aircraft around in the first quarter and as a result CIRA's second daily Minneapolis flight has been temporarily suspended due to aircraft availability. Staff was advised to anticipate its return in the spring schedule. The B717 service to Atlanta remains in the system, along with a mix of the 900/700 aircraft. American is upgrading the equipment to Dallas to a CRJ 900 with 2 class service. This comes into the system early in March and remains for the year.

Fran closed out her report with a brief update on current marketing and advertising activities.

VIII. ADJOURNMENT

There being no other business to come before the Board, upon a motion being made, seconded and approved, the January 10, 2017 meeting of the Bloomington-Normal Airport Authority adjourned at 5:31 p.m.

Alan Swartz
Secretary

FEB 14 2017
Date