

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
MONDAY, MAY 9, 2017
4:30 PM**

I. CALL TO ORDER

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

II. INTRODUCTION OF NEW COMMISSIONER

Commissioner Allen swore in Mr. Jay Groves. Mr. Groves joins the Board as the City of Bloomington's appointee.

III. PUBLIC COMMENTS

No public comment.

IV. APPROVAL OF APRIL BOARD MEETING MINUTES

Commissioner Denault made a motion to approve the April Board meeting minutes. The motion was seconded by Commissioner Hanson and upon a unanimous vote, the motion carried.

V. OLD BUSINESS

VI. COMMITTEE REPORTS

- A. **Audit/Finance Committee** – No report.
- B. **General Aviation Committee** – No report
- C. **Personnel Committee** – The Committee met on April 21st for Carl Olson's annual review.
- D. **Public Policy Committee** – No report

VII. NEW BUSINESS

- A. **Approval of April Financials** – Diane Andes Finney reported that the Airport as a whole, finished the fiscal year solidly. The total bond debt decreased by \$1.7 million which resulted in an increase in the non-referendum debt margin of \$1.5 million. The unrestricted liquidity level remained high with the general fund ending the year with a substantial operating surplus due in part to the mild winter operating conditions. The Hangar fund and CFC fund both finished with a positive bottom line just below last year's budget projections. The Authority did receive checks from the two delinquent accounts. Meetings are scheduled for next week to discuss bringing their accounts current.

Carl thanked Diane and Cyndy for a strong performance for FY17. This year's results marked the Airport Authority's 10th consecutive year of generating an annual operating surplus in the General Fund.

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

- B. **Authorize Increase in Aviation Fuel Flowage Fee** – As a part of the projected budget materials for FY18, Airport Staff suggested the Board approve an .025 increase in the fuel flowage fee which in turn would raise the current rate from 6.75 cents/gallon to 7.0 cents/gallon. The last adjustment for this fee was a 1.25 cent increase in June of 2009. Staff conducted a survey of fuel flowage fees at surrounding airports and airports similar in size to CIRA. The range is 5 to 11 cents per gallon. This is rather hard to compare apples to apples, as each airport is unique and they have their own fee structure.

Commissioner Denault made a motion to authorize the .025 cent increase in the fuel flowage fee for fiscal year 2018. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

- C. **Adopt Ordinance No. 190-17; the Annual Budget Ordinance for Fiscal Year 2018** – Following the Board's tentative approval of the proposed budget materials for FY2018 during the March Meeting, these materials were made available for public inspection/review in accordance with state statutes. These materials may now be formally adopted by the Board in accordance with the Illinois Airport Authorities Act.

It was noted that upon receiving additional data, Airport Staff further reviewed the budget materials that were tentatively approved and made one change to the capital fund budget and five revisions to the general fund budget. The net result of these revisions to the general fund budget show a projected operating surplus of \$69,509 versus the originally approved figure of \$86,779.

Commissioner Hanson made a motion to adopt Ordinance No. 190-17; the annual budget ordinance for Fiscal Year 2018. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

- D. **Authorize Execution of Professional Services Agreement with Crawford, Murphy, and Tilly, Inc.** – As the Authority prepares to begin the construction phase of the Runway Pavement Rehabilitation Project, the Authority is required by FAA grant obligations to have onsite project engineering and inspection services. For this project, these services will be provided by the Springfield office of Crawford, Murphy, and Tilly, Inc. who also did the project’s design work. Because Illinois is a block grant state, the IDA was the responsible party for approving the scope and fee structure for this agreement. Similar to past agreements, this agreement will be structured as a cost plus fixed fee agreement (versus a lump sum agreement) with a total value not to exceed \$72,780. Funding for this agreement will be shared between the FAA and the Airport Authority with the FAA covering 90% of the cost (The State does not participate in this type of pavement projects).

As a part of this discussion, Airport Staff raised a concern involving the likelihood this agreement may need to be amended in the future given the IDA’s tight constraints on contract hours. In response, the Commissioners, had a brief discussion in regards to contracts and change orders and allowing Staff some authority to sign change orders without bringing them back to the board. These discussions will be formalized at a later date.

Commissioner Groves made a motion to authorize the execution of the professional services agreement with Crawford, Murphy and Tilly, Inc for a not to exceed amount of \$72,780.00. The motion was seconded by Commissioner Kannaday and upon a unanimous vote, the motion carried.

- E. **Authorize Action Related to Ground Lease with Prairie Cities Soccer League** – It has been brought to Staff’s attention that there are conversations taking place in the community about whether or not there should be a replacement facility created in the community/how it might be structured/located/paid for/schedule or constructed. One of the questions that has been tied to all the conversations involves what actions the Airport Authority might take relative to ending or extending the current lease agreement with the PCSL. With this in mind, Staff brought the item back to the board for their discussion and action.

A discussion ensued in regards to the best way to proceed. It was noted that a 3-year agreement with two, 1-year extensions would be acceptable to the members, however, the community will be required to demonstrate actual progress within the initial 3 year term in order to request Board consideration for exercising either of the 1-year extensions. It was also noted that this will be the last and final agreement on the soccer fields and all parties should be made aware of that.

Commissioner Denault made a motion to authorize Staff to begin to craft a new lease agreement with PSCL for a 3 year term with two, 1-year options. Such options shall be held exclusively by the Airport Authority Board of Commissioners and may only be exercised if additional time is needed and the community has demonstrated actual progress toward completing the construction of a new public recreation facility suitable for use by the PCSL. This new agreement shall also contain language prohibiting any further development/improvements and strict prohibitions on uses and non-uses. The motion was seconded by Commissioner Kannaday and upon a unanimous vote, the motion carried.

- F. **Approve Officers for Fiscal Year 2018** – In keeping with the language in Article III, Section 2 of the currently approved Airport Authority By-Laws, Commissioner Groves made a motion to leave the officers and the committee members, as they currently exist on an interim basis. The

motion was seconded by Commissioner Sender and upon a unanimous vote, the motion carried.

Vice Chairman Allen then requested Commissioner Kannaday and Commissioner Denault serve on an ad hoc Nominating Committee. The Committee would canvas each member and come up with a slate of officers and committee assignments for FY18 to be presented at the June meeting. Commissioner Hanson made a motion to approve the ad hoc Nominating Committee. The motion was seconded by Commissioner Whisman and upon a unanimous vote, the motion carried.

- G. **Other Business Which May Arise** – There was no other business to come before the Board.

VIII. STAFF REPORTS

- A. **Executive Director's Report** – Carl reported that the runway rehabilitation project held a pre-construction meeting earlier in the day. Construction is expected to begin June 19 and it is a 50 day project. The project is a pavement rehabilitation of runway 11/29, runway 2/20 and the shoulders for 2/20. At the same time, work is progressing on the next phase of the project which will involve a similar scope of work for taxiways F and G. Eighty percent drawings will be completed by Friday, May 12th, in accordance with the State bidding schedule. The project is expected to bid this summer with a bid opening early to late August.

In the budget for FY18 there was an item for replacement vehicles and equipment. Those items have been ordered and Staff expects delivery later in May into June.

Staff reviewed the airline, fuel and operations numbers for April with the members. Numbers were off a bit largely attributed to Delta's IT failure which resulted in all Atlanta flights being cancelled for three days; followed by an IT problem in Minneapolis which created delays and cancellations for a day and a half.

Carl noted that he has had conversations with other airports in the State who are possibly interested in joining the Airport's initiative to reorganize through the legislative process. Generally the other airports are interested in partnering with CIRA. It was also noted that while he had received mostly positive feedback from within the community, there was some concerns being raised in the rural areas of McLean County. Looking ahead, Carl reported that he is scheduled to speak to the Bloomington Normal Association of Realtors and the local chapter of the EAA.

- B. **Deputy Director of Marketing** – Fran Strebing briefed the members on the events/focus in the marketing department. The TSA pre-check enrollment center is next week, May 15th - 19th. At this point more than 200 people have made appointments to apply for the program. Hours will be Monday - Friday, 8 to 12 and 1 to 5. The information can be found on the Airport's website. CIRA's dedicated pre-check lane is still on schedule to start June 1st, during peak hours. If the turnout is really good, there is an opportunity for another enrollment session in July.

Fran reported she recently attended the Allegiant conference where she received positive feedback on route performance and financial aspects. They also had discussions regarding new

routes as well as increasing capacity in the current markets. Fran will be at the Twin City showcase next week and she will be promoting Allegiant's new initiative "Get Away Your Way".

Summer marketing plans include some new digital marketing campaigns.

The new website continues to perform well, while generating positive feedback. Fran offered a brief report on the demographics, audience origination and interests generated by Google Analytics of the site. Interestingly enough more people are coming to the web site via mobile phones. Orlando is still CIRA's top leisure destination, followed by other Florida destinations. Atlanta, Minneapolis, Dallas-Ft. Worth and Phoenix are in the top ten business destinations. Carl and Fran will also be attending the Jump Start Conference in June.

Commissioner Denault asked if the operations report could be shown in a bar chart format, either quarterly or semi-annually.

IX. ADJOURNMENT

There being no other business to come before the Board, upon a motion being made, seconded and approved, the May 9, 2017 meeting of the Bloomington-Normal Airport Authority adjourned at 5:56 p.m.



Secretary

06/13/2017
Date