

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY  
BOARD OF COMMISSIONERS  
REGULAR MEETING MINUTES  
TUESDAY, APRIL 10, 2018  
4:30 PM**

**I. Call To Order**

Chairman Allen called the meeting to order at 4:33 p.m. Commissioners Kannaday, Whisman, Denault, Groves, and Sender were present. Commissioner Hanson was present via telephone. A quorum was acknowledged.

**II. Public Comments**

David Smith from the Museum was present to update the Board. He shared that the Museum is gearing up for their Open Cockpit Days. The first one will be May 19<sup>th</sup>, along with a classic car cruise in, along with the Mr. Softy truck and a curbside grill. The Open Cockpit days will be the 3<sup>rd</sup> Saturday of each month, running through September. The Museum will also be working with the EAA on the Tri-Motor event in June.

**III. Approval of March Meeting Minutes**

Commissioner Groves made a motion to approve the March Board meeting minutes. The motion was seconded by Commissioner Whisman and upon a unanimous vote, the motion carried.

**IV. Old Business**

**V. Committee Reports**

- A. Audit/Finance Committee – No report.
- B. General Aviation Committee – No report.
- C. Personnel Committee – No report.
- D. Public Policy Committee – No report.

## VI. New Business

- A. **Approval of March Financial Statements** – Paulette Hurd reported that the Authority is quickly approaching the end of the fiscal year. March was a busy month. The General Fund revenues were 1.6% behind budget for the month, but expenses were 4.8% below budget. Staff is currently projecting ending the year in a positive position. The Hangar fund revenues and expenses are continuing to trend favorable to budget. The remaining proceeds from the 2012 bonds were moved into the Capital fund during the month of March. The CFC revenues are behind budget, but expenses are also below budget. The PFC revenue for March is behind budget and is down slightly from March of 2017.

Earlier today, a check was received from the FBO for the ground lease.

The sale of the Series 2018 G.O. bonds was closed on March 29th. The new bonds issued were \$6,415,000.00 with a final maturity of January 1, 2023. The proceeds from the new bonds, along with the cash in the debt service funds were used to pay off the 2008A and the 2012 series bonds. The new bonds will see a future cash flow savings of about \$1.3 million dollars, along with a reduced payment term of about 4 years. Chairman Allen thanked Staff for all their work on the new bond issue.

Staff is gearing up for the annual audit and year end. Ms. Hurd is hoping to get an investment program off the ground in the coming month. Once that is established, the Board will receive monthly updates on the investments.

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

- B. **Authorize Renewal of Professional Services Agreement with Premier Agriculture Consulting Services** – In April of 2016, the Board approved a contract with Dr. Shalamar Armstrong of Premier Agriculture Consulting Services to provide the Airport Authority with agricultural consulting services. The scope of this agreement included collecting/analyzing soil samples, developing/administering fertilization plans, and to assist with coordinating actions with the farmer. The term of this agreement was for three individual one-year periods at cost of \$23/acre/year. This is the last year of the contract. After the agreement expires, Staff will do a competitive solicitation/RFP for these services. Dr. Armstrong has been a good partner and the program has produced better soil fertility leading to above market lease rates.

Commissioner Sender made a motion to authorize the renewal of the Professional Services Agreement with Premier Agriculture Consulting services for 1 more year at a cost of \$23 an acre. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

- C. **Approve Amendment to General Aviation Landing Fee Program** – Last fall, one of the FBO's on the field shared with Staff that they were receiving complaints from general aviation aircraft operators who didn't like paying the \$15 landing fee at CIRA. There was concern from the FBO that the landing fee program might create some problems with competitive positioning. As a result of this, Staff reviewed the data and convened a meeting of the GA Committee where

it was discussed. At the conclusion of the meeting, the Committee asked Staff to monitor the activity for the next 90 days and to report back, prior to the start of the fiscal year, on whether changes should be made to the program. Staff found that during the 90 day period there were only 8 aircraft that landed at CIRA that were classified as small, twin-engine piston aircraft. Staff recommended to the GA Committee that the landing fees on the small, piston twin-engine aircraft be waived, beginning with the new fiscal year. This would result in less than 2% reduction in the GA landing fees. Staff will monitor this program in the coming year and make any suggestions for changes to the GA Committee.

A motion was made by Commissioner Denault to authorize an amendment to the current G.A. landing fee program to eliminate fees assessed for small, piston, twin-engine aircraft arriving at CIRA. The motion was seconded by Commissioner Kannaday and upon a unanimous vote, the motion carried.

- D. Authorize Agreement with World Fuel Services, Inc. to Provide 100LL Fuel** – As previously reported, Airport Staff is interested in assuming responsibility for the acquisition and management of the 100 low-lead aviation fuel. The motivation for engaging in this new practice is to remove the competing FBOs from either sharing this responsibility or needing to have one operator manage the fuel supply for a competitor. While the airport flows in excess of 3 million gallons of fuel per year, only 60,000 gallons of that is Avgas or low lead. At that price there isn't a value to the Airport Authority to put in a separate tank for each operator. Instead, the Authority will try managing the 100 low-lead fuel. The fuel will be passed on to each FBO with no additional cost at this time.

Airport Staff developed and administered a competitive RFP solicitation which attracted submissions from multiple fuel suppliers. As a part of the RFP, a pre-proposal meeting and tour of the facility were provided. At the conclusion of the submission process the Airport Authority received three (3) submissions; AvFuel Corporation, Epic Aviation, and World Fuel Services. A copy of the bid tab is incorporated in the minutes. Upon a review of the submission, Staff determined the package submitted by World Fuel Services was the sole responsive bidder. A review of the bid tabulation shows the most recent average price/gallon from World Fuel is 13 cents higher than Epic, while their proposal also quotes a higher lease cost for mobile fuelers. However, more importantly, Epic's proposal did not include any information or commitment to provide insurance/indemnification protection to the Airport Authority or its approved aviation fuel service providers. The agreement can be terminated within 90 days of the agreement ending, so if this doesn't work out in a year, the Authority can terminate the agreement without any penalties.

Commissioner Groves made a motion to authorize an agreement with World Fuel Services for 1 year, with 2 individual 1 year renewals, to provide 100LL fuel. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

## **VII. Staff Reports**

- A. Executive Director's Report** – Carl reported that traffic for the month of March was down, albeit less than had been anticipated given the projected 15% reduction in seat capacity. Overall through the first calendar quarter, passenger traffic is level with 2017. Leisure traffic continued

to march ahead very strongly, as Allegiant service to Orlando was up materially. Similarly Allegiant's service to Tampa had another strong month with both traffic and load factors increasing; in turn leading CIRA to again surpass Allegiant's system wide averages. Aside from passenger results, aviation fuel sales continued their strong performance while generating a 24% increase vs. the same period last year; helped in part by an increase in both local and itinerate aircraft operations. During this same period, air cargo results continued their consistent growth as FedEx Express enjoyed another strong month as their weights increased 11%.

There is another TSA pre-check scheduled for May 7<sup>th</sup> - 11<sup>th</sup>. This will be the fifth pre-check event at CIRA. It was reported that because of the increasing number of CIRA pre-check customers, the TSA has had to make adjustments to their staff scheduling in order to increase the availability of pre-check services on a more regular basis.

The design work associated with Phase III of the airfield pavement rehab project has reached the 90% completion point. Airport Staff are currently reviewing these materials with a special focus on the phasing of the construction work in order to ensure safe and uninterrupted aircraft operations. At this time Staff anticipates completing this review with sufficient time to make final edits and have the formal bid packages on the street in time for a late June opening. Additionally, in anticipation this plan review is completed prior to the May meeting, Staff will be preparing to present a brief overview and status update on this project.

Carl noted that the restaurant lease with CJs Restaurant has been terminated. A hearing was held on April 6<sup>th</sup> and the judge gave the restaurant operator 2 additional weeks in which to respond to the Airport Authority's filing.

As mentioned earlier, a check was received today curing one of the defaults with one of the FBOs. A termination notice has been provided on the other default, noting that payment must be received by the end of the week.

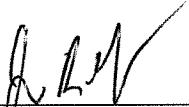
- B. Deputy Director of Operations and Facilities** – Javier Centeno was present to update the Board. He has been working on hiring someone to fill the vacancy created when Ms. Cindy Howland left. It was explained the pool of potential candidates has gotten much smaller which has created more difficulty than in the past. However, Mr. Centeno also reported that a earlier this week an offer had been extended/accepted for a new Operations Specialist with a May 16<sup>th</sup> start date. It was also reported that Javier has started to revisit the former Ops internship program as a way of cultivating future candidates.

Javier also shared this coming April 10th and 11th, Airport Staff will be working with the TSA, the FBI, City of Bloomington Police Department, the McLean County Sheriff's Dept, the IL Secretary of State's EOD squad, and the Peoria Bomb squad on a live training exercise at CIRA. The training will include table top exercises as well as live drill scenarios. Carl thanked Javier and his staff for the timing and phasing of the drill.

Snow operations are wrapping up. Meetings will be held in the near future with the tenants to recap the snow season and hear any feedback.

### VIII. Adjournment

There being no other business to come before the Board, upon a motion being made, seconded and approved, the April 10, 2018 meeting of the Bloomington-Normal Airport Authority adjourned at 5:24 p.m.

  
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Secretary

5/8/2018  
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Date