

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
TUESDAY, MAY 8, 2018
4:30 PM**

I. Call To Order

Chairman Allen called the meeting to order at 4:34 p.m. Commissioners Kannaday, Denault, Groves, Sender and Hanson were present. A quorum was acknowledged.

II. Public Comments

Doug Reeves from the Museum was present to update the Board. He shared that the Museum will be having its first open cockpit days on May 19th. Doug also shared a copy of a flyer on the event. They will also be having their 33rd annual meeting on May 21st.

III. Approval of April Meeting Minutes

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

IV. Old Business

- A. **Authorize Revised Lease Agreement with Bloomington Normal Area Convention and Visitors Bureau** – Earlier this year, BNAA Staff along with CVB staff, engaged in discussions aimed at reaching an agreement on terms for a new office lease agreement for space in the terminal building. After reaching a tentative agreement, the members of the CVB Board opted not to act on the proposed agreement; hoping to secure a shorter term.

Carl and Crystal have had ongoing discussions and an agreement has been reached. The agreement is relatively the same as what was presented before, except the term has been revised. The new agreement calls for 2 years firm, with a single 2-year renewal option. The rent will increase 5% now and a 5% rate adjustment for next year and should the option be exercised that would be based on a CPI adjustment with a 5% cap. The new agreement calls for a partnership between BNAA and CVB to create a community gallery area in the old Bevande space. It also allows them use of the parking lots and conference rooms.

Commissioner Groves made a motion to authorize the revised lease agreement with Bloomington Normal Area Convention and Visitors Bureau as presented. The motion was seconded by Commissioner Kannaday and upon a unanimous vote, the motion carried.

V. Committee Reports

- A. Audit/Finance Committee – No meeting, but the audit is underway.
- B. General Aviation Committee – No report.
- C. Personnel Committee – No report.
- D. Public Policy Committee – No report.

VI. New Business

A motion was made by Commissioner Hanson to move item C to the first order of business. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

- C. Authorize the Execution of a New Intergovernmental Agreement with the Town of Normal – Carl introduced the Honorable Mayor Koos and Sally Heffernan, Economic Development Director for the Town of Normal. Ms. Heffernan gave a brief overview of their request for a new intergovernmental agreement to extend the life of Tax Increment Financing on the Normal Downtown Renewal Redevelopment Project Area (the Uptown TIF), for an additional 12 years; bringing the life of the TIF to 35 years. In return for this, the Town is proposing to return all incrementally generated tax revenue above the 2003 base to each of the taxing bodies – with the exception of the incremental revenue attributed to four (4) specific parcels which have yet to be developed.

Commissioner Kannaday made a motion to authorize the execution of a new intergovernmental agreement with the Town of Normal to extend the life of the Uptown TIF for an additional 12 years and during the extension period, return all increment generated over and above the 2003 base to the taxing bodies, with the exception of increment attributed to parcels that are currently undeveloped. The motion was seconded by Commissioner Sender and upon a unanimous vote, the motion carried.

- A. Approval of April Financial Statements – Ms. Hurd reported that the Authority is at the end of the fiscal year. She did caution the members that there will be final adjustments made as bills are still coming in that relate back to FY18. The General fund finished the year with a positive bottom line. The Hangar fund also finished the year with a positive balance. There wasn't a lot of activity in the Capital fund during the month of April. Some final payments were made on Phase I of the airfield pavement project. Staff is working with the State and FAA to close out some old grants. The CFC fund also finishes the year with a positive balance. The PFC fund is slightly ahead of April 2017.

The frequent delinquent account is current as of today's meeting. The restaurant has been closed.

At the end of April, Staff invested a little over \$2.4 million dollars in various brokers CD's and U.S. Treasuries. The maturity dates are staggered to anticipate any cash flow needs.

The auditors have begun field work. They have spent the last 2 days at the airport and will back in June to complete the audit.

Carl thanked Paulette, Cyndy and Staff for their efforts to ensure the Airport Authority completed its 11th consecutive year of generating an operating surplus in the General fund.

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

- B. Authorize the Write-Off of Uncollectible Bad Debt** – With the end of the fiscal year, there are 2 accounts in the hangar fund that Staff has been unable to collect past due amounts on. One delinquent account totals \$221.29 and the other account totals \$1,488.20. There was discussion of changing the level of write-offs that would need to come to the Board. Staff will look into this further and bring their recommendation back to the Board.

Commissioner Groves made a motion to write off the 2 accounts as bad debt. The motion was seconded by Commissioner Kannaday and upon a unanimous vote, the motion carried.

- D. Adopt Ordinance No. 198-18, an Ordinance Abating the Levy of 2017 Property Taxes for Rivian Automotive in Accordance with the 2016 Economic Incentive Agreement** – In December of 2016, the Board approved the temporary tax abatement related to Rivian automotive. Unlike previous tax abatements which direct these temporary abatements be in place unless compliance is not met, the temporary Rivian abatement must be approved each year once they have demonstrated compliance. Going forward, this item will be presented to the members for approval earlier in the calendar year. The Economic Development Council has confirmed that the criteria were met for 2017.

Commissioner Denault made a motion to adopt Ordinance No. 198-18; an Ordinance Abating the Levy of 2017 property taxes for Rivian Automotive. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

- E. Approve Officers for Fiscal Year 2019** - During the June '17 regular meeting of the Airport Authority Board the members voted to select officers for FY2018. Subsequent to this, during the January '18 regular meeting, the members voted to amend the Airport Authority's By-Laws to include changes which directed that officers shall be elected to not more than two consecutive two-year terms. As a part of preparing for this month's Annual Meeting, and after again reviewing the revised By-Laws, Airport Staff requested clarification from legal counsel to determine if the June '17 election constituted a one-year term or if the January '18 vote to amend the By-Laws preempted the June vote with the officers now completing the first year of a two-year appointment.

It was the opinion of legal counsel, the June '17 election stands as the formal vote of the Board with a transition to the updated, two-year terms beginning this year with an election. Having given this opinion, the attorney continued to explain the members would be free to agree to take a formal action to clarify their interest in continuing with the existing slate of officers excluding the position of Secretary and Treasurer given the recent resignation of Ms. Whisman, for an additional one-year term.

A discussion ensued regarding the best way to proceed and what the members were thinking with the revised By-Laws in January.

Commissioner Denault made a motion to approve the current slate of officers, except for the Secretary/Treasurer position, for another year, with the intent to update any policies as needed. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

Commissioner Sender made a motion to nominate Jay Groves to fill the vacant Secretary/Treasurer position. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

- F. **Report on Phase III of the Airfield Pavement Rehabilitation Project** – Javier Centeno provided the members with a report on status and progress of the final phase of the ongoing airfield pavement rehab project. The briefing began with a brief review of the scope of the project, the different components of each phase, and the importance of construction phasing to ensure safe, interruption free aircraft operations. It was also discussed how staff was able to restructure the construction schedule for Phase III in order to reduce the phases from 8 down to 5; thereby enhancing the chances for lower project costs and a faster completion time. Concluding his remarks, Mr. Centeno reported that construction activities for Phase II were expected to commence in June, while bid specifications for Phase III were also expected to be advertised/released in June.

VII. Staff Reports

- A. **Executive Director's Report** – Carl reported that Staff just received the April numbers earlier in the day, and as such, their final analysis was still ongoing. Staff is still waiting on FedEx's numbers. April was a good month. Enplanements were up 11.4% versus the same period last year and overall traffic is up 3%. Another strong month for Allegiant both in terms of load factor and enplanements. American had a positive month as well. Delta also surged with Atlanta traffic being up 25%. Minneapolis is down, but that is due to a 50% reduction in capacity. Fuel is up 18% for the month and 22% for the year.

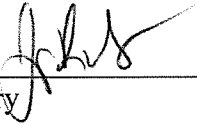
TSA Pre-check event is underway. This is the 5th event at CIRA and it is going very well.

Two weeks ago, the Airport Authority was granted a judgement to retake possession of the CJ's leasehold space. In that time, an inventory has been done along with a tour of the facility. The locks have been changed and clean up has started. Carl did a walk through with a banker from First Financial out of Champaign, who has a lien on the kitchen equipment and who is looking to host an auction of this equipment. Staff is working on materials to share with the Board members to generate discussion/feedback in terms of next steps for the building. Specifically, should the Airport Authority invest funds to update this building or repurpose the site for new investment.

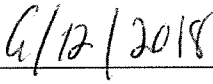
- B. **Deputy Director of Marketing** – Carl reported that Ms. Fran Strebing got called away on an appointment. She will report at the June meeting.

VIII. Adjournment

There being no other business to come before the Board, upon a motion being made, seconded and approved, the May 8, 2018 meeting of the Bloomington-Normal Airport Authority adjourned at 5:53 p.m.



Secretary



Date