

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

**I. CALL TO ORDER**

Chairman Allen called the meeting to order at 4:31 p.m. Commissioners Kannaday, Denault, Groves, and Sender were present. Commissioner Hanson was present via telephone. A quorum was acknowledged.

**II. PUBLIC COMMENTS**

John Eckley was present to update the Board. The Museum has been very active this summer. The small helicopter has been making the rounds at the surrounding communities 4<sup>th</sup> of July parades. It will also be at the August 9<sup>th</sup> McKids Day. The next open cockpit day is July 21<sup>st</sup> and they will be honoring first responders. The August open cockpit day will have the Tri-Valley high school helping do re-enactments using the old uniforms at the Museum. September 6<sup>th</sup>, the Bloomington Normal Realtors Association will be doing a fund raiser with Image Air and the Museum. There has been a lot of work in the air park this summer. The Museum hopes to have the T-33 open soon. The B-17 will be coming in August and the Museum will be helping out with that.

**III. APPROVAL OF JUNE MEETING MINUTES**

- A. **Public Hearing Minutes** - Commissioner Denault made a motion to approve the June Public Hearing minutes. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.
- B. **Board Meeting Minutes** – Commissioner Sender made a motion to approve the June Board meeting minutes. The motion was seconded by Commissioner Kannaday 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 June Financial Statements** – Ms. Hurd shared that the Authority is 2 months into the fiscal year. The General fund revenues were slightly ahead of budget and expenses were 12% below budget. Ms. Hurd believes this is a timing issue with the holiday last week. The Hangar fund revenues are just below budget, but expenses are below budget as well. There wasn't a lot of activity in the Capital fund for the month of June. The CFC fund is trending favorable to budget. The PFC revenue for June was 12% higher than the same month last year. The accounts receivable account is current.

The auditors have completed all the field work and are on track to have an August Audit/Finance committee meeting with a presentation to the full board at the September meeting.

Ms. Hurd also shared with the board that Cyndy King, the Authority's accountant, is moving out of state and will be leaving the Authority after over 16 years with the Authority. She thanked Cyndy for all her work and commitment.

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

- B. **Authorize Execution of Tax Settlement Agreements** – The Unit 5 School District approached the Authority to participate in two (2) tax settlement agreements negotiated by Unit 5 and Heartland Community College. These agreements have previously been executed by Unit 5, Heartland Community College, McLean County, the Bloomington Normal Water Reclamation District, with Normal Township declining to participate and the Normal Public Library participating through the Town of Normal.

Mr. Curt Richardson, attorney for Unit 5, shared that in 2015 the Normal Township Assessor increased the valuation on several properties which consisted primarily of student housing. The property owners appealed the increased assessment, which in turn led Unit 5 and Heartland Community College to intervene before the McLean County Board of Review. Portions of this complaint were then appealed by the property owners to the Illinois Property Tax Appeal Board.

While administering the review/appeal process, Unit 5, HCC, and the property owners determined a better course of action may be to curtail protracted litigation, with an unknown outcome, for a negotiated settlement. This settlement period would cover the years in question, in addition to including five years into the future through 2022. In turn, Unit 5 took the lead in negotiating the agreements, while allowing the other taxing bodies the opportunity to participate without the need or cost of taking independent legal action. As a result of these negotiations, agreements were crafted/executed which resolves the past valuations, while also allowing for a higher, more stable assessed value of these properties through 2022. By participating in these agreements, the Authority accepts the negotiated assessed values for approximately 100 properties, while also giving up the right to intervene or seek to increase the EAV of the impacted properties.

Commissioner Groves made a motion to authorize Staff to execute the tax settlement agreements as presented. The motion was seconded by Commissioner Sender and upon a unanimous vote, the motion carried.

- C. **Discussion on Future Status of Former Terminal Building** – Mr. Terry Reid was present to update the Board on the status of the former terminal building. Mr. Reid conducted a study of the old terminal to help determine if the building should be renovated/marketed in order to attract new operating revenues or if the structure should be removed and the site reprogrammed for a different purpose. Mr. Reid noted that the building is structurally sound, but there are a number of items that would need to be done if the building were to be repurposed. The cost to demo the building or refurbished the building are about the same. The members discussed the merits of each option and it was concluded that more information is needed before moving forward with either scenario. Staff will gather the information and report back to the Board.

## VII. STAFF REPORTS

- A. **Executive Director's Report** – Carl reported that the June passenger numbers can be defined as soft, good and better. For the month, enplanements were down 2% compared to June '17, while traffic for the year is still up 2% against an almost 8% reduction in capacity and 15 cancellations. The good news is that even though traffic was down 2% for the month, that is against a 13% monthly reduction in capacity. Carl shared the better news involved how the combination of strong traffic against reduced capacity resulted in load factors which far exceeded industry averages. In turn, confirming previous conversation with the airlines how their advanced bookings for the summer were significantly stronger than last year. Individually, Allegiant's Tampa/St. Pete traffic figures were up double digits again, tallying its highest load factor yet. Orlando service was down, however, there were 7 fewer flights this year versus last year. The load factors for Allegiant are well above their system wide load factors. American's Dallas service was up significantly and continues to perform well, both in the month and for the year. Given the weak Chicago schedule and its 12 cancellations during the month, results were down for the month. Delta's service to Atlanta was extremely strong, increasing 6% over an 8% reduction in capacity. Minneapolis also performed well, given that CIRA is beating the capacity reduction. Aviation fuel sales continue to be strong, both on a monthly and year to date comparison with a year to date increase of 19%. Fed Ex continues their trend of double digit increases for both the month and the year. Staff expects that will continue into the fall.

As discussed earlier, bids were received for Phase III of the airfield pavement project. There was 1 bidder and the price came in 18% above the engineer's estimate. At the same time, the FAA has raised some questions about some of the components of work in the Phase III project. Staff has identified some work arounds and are working through those. The goal is to bring a contract award to the August meeting.

The relocation of the Nicor Gas high pressure regulator facility is moving forward. The current schedule calls for all administrative work, by both parties, to be completed in calendar year 2018 to clear the way for construction to commence and relocation to commence, late spring/early summer of 2019. Initial discussions on this project began back in 2014.

A public hearing on the tax levy ordinance is being schedule for 4:20 prior to the August meeting. Per the Airport Authorities Act, the Authority must adopt their tax levy on or before the 2<sup>nd</sup> Tuesday in August of each year.

Staff has been advised by Clemens and Associates that they have received the health insurance renewal for 2018/2019 with this item expected to be presented to the Board during the August meeting.

- B. Deputy Director of Operations and Facilities** – Javier Centeno was present to update the Board on activities in the Operations and Facilities Department. Phase II of the airfield pavement project is going very well and Staff is very pleased with the safety/security coordination and the work product that has been done so far. The contractor is currently working on the last component of this phase. It was a 48-day project and they are anticipating finishing ahead of schedule.

Staff has been working on specifications for 2 new high-speed brooms. The goal is to get the specifications on the street in the next week, with an anticipated bid opening in early August.

Mr. Patrick Riley has joined the CIRA operations staff as a new intern. Mr. Riley is a recent graduate of Southern Illinois University with a degree in Aviation Management and a Master's in Public Administration.

Javier is working with the Museum on the B-17 visit. That is scheduled for August 13-16<sup>th</sup>.

TSA just completed their comprehensive annual inspection of CIRA. It was completed with positive results and there were no major findings. The feedback was very positive. The inspection took almost a month to complete.

### VIII. ADJOURNMENT

There being no other business to come before the Board, upon a motion being made, seconded and approved, the July 10, 2018 meeting of the Bloomington-Normal Airport Authority adjourned at 5:40 p.m.

  
Assistant Secretary

8-14-18  
Date