

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
TUESDAY, APRIL 9, 2019
4:30 PM**

I. Call To Order

Chairman Allen called the meeting to order at 4:30 p.m. Commissioners Kannaday, Moran, Denault, Groves and Sender present. Commissioner Hanson was absent. A quorum was acknowledged.

II. Public Comments

No public comment

III. Approval of March Board Meeting Minutes

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

IV. Old Business

There was no old business.

V. Committee Reports

- A. **Audit/Finance Committee** – Met on March 25th to review the draft FY20 budget. The budget is under new business.
- B. **General Aviation Committee** – No report.
- C. **Personnel Committee** – Met prior to the meeting to review the proposed labor union contract. That item is under new business.
- D. **Public Policy Committee** – No report.

VI. New Business

- A. **Approval of March Financial Statements** – Ms. Hurd reported that the Authority is 11 months into the fiscal year. After adjusting for the AvGas program, the revenues in the General Fund are slightly behind budget, with expenditures being under budget. The Hangar fund revenues and expenses are favorable to budget. The Capital fund didn't have any activity for the month of March. The CFC fund revenues are ahead of budget, with expenditures being over budget due to snow removal activities, but the bottom line is positive. The PFC revenues were very strong again for the month of March. They were 21% higher than March of 2018. Ms. Hurd is projecting the PFC revenues to be over budget.

Ms. Hurd also reported that the stock the Board approved to sell at the February meeting was sold and it netted over \$21,000, which will appear in the April financials.

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

- B. **Authorize Award of Construction Agreement** – In preparation for the capital project to renovate/create new spaces in the terminal, design work was completed, and competitive bid specs were publicly released with a March 1st submission deadline. Packets were sent to five contractors with three (3) bids being received; 1) GIVSCO Construction from Pekin, IL in the amount of \$220,700, 2) Catalyst Construction from Bloomington, IL in the amount of \$239,000, and, 3) P.J. Hoerr Construction from Peoria, IL in the amount of \$208,500. The numbers have come in higher than originally anticipated. Staff is scaling back the scope of work in order to bring the numbers more in line with budget. After reviewing all the bids, P.J. Hoerr was determined to be the lowest and most responsive bidder.

Commissioner Moran made a motion to authorize the award of a construction agreement with P.J. Hoerr for a not to exceed \$208,500. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

- C. **Authorize Award for the Purchase of New Emergency Communications System** – The current Emergency Communication System is a land line that is based in the tower. This system is used to report an aircraft incident or emergency in order to alert responding parties. Mr. Javier Centeno has been working to identify a better system that utilizes a wireless type system. From this work, a competitive bid package was put together for a radio based system and two bids were received; one from Clear Talk Radio in Decatur, IL in the amount of \$37,180 plus additional fees and equipment costs and the second bid was submitted by E-Communications in Bloomington in the amount of \$33,250 plus additional equipment costs. After reviewing the two proposals, Staff requested additional information and only E-Communications responded to the follow up request. Following a thorough review of the bid submissions, additional information, and an onsite demonstration, it was determined the bid provided by E-Communications should be awarded the contract for an amount not to exceed \$39,430. The value of the new system will be greater reliability and more detailed information.

Commissioner Denault made a motion to authorize the award for the purchase of a New Emergency Communications System to E-Communications in the not to exceed amount of

\$39,430. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

- D. **Approve New Collective Bargaining Agreement** – Currently there are 6 maintenance workers who are covered by a collective bargaining agreement with the International Union of Equipment Operators Local 649. This agreement has been in place since 2006. The current agreement is a 3 year agreement that expires at the end of April. In preparation for coming to the Board, Airport Staff and the Union business manager have held meetings to discuss a new contract and they were able to reach a tentative agreement. The Personnel Committee met prior to the meeting and it was their recommendation that the agreement move forward for full board approval.

The new agreement would be for 3 years with a May 1 effective date. The new agreement calls for an 8% increase in wages over the 3-year period, in addition to a \$250/employee signing bonus. Some of the language was updated in the agreement.

Commissioner Denault made a motion to approve the new Collective Bargaining agreement for a 3-year period as presented. The motion was seconded by Commissioner Kannaday and upon a unanimous vote, the motion carried.

- E. **Authorize Execution of Natural Gas Supply Agreement** – As a member of the McLean County Chamber of Commerce, the Airport Authority is eligible to take part in a program that the Chamber sponsors with one of their partners, where members can enter into purchase agreement to purchase utility services such as gas and electric for a fixed rate. Ideally this would be at a savings for the member. After reviewing the Authority's gas bills, it was determined that the Authority could save almost \$4,400 a year over a 31-month period. The agreement would be with Direct Energy.

Commissioner Groves made a motion to authorize the execution of a natural gas supply agreement with Direct Energy for a 31-month period. The motion was seconded by Commissioner Moran and upon a unanimous vote, the motion carried.

- F. **Adopt Ordinance No. 206-19, An Ordinance Amending the Car Rental Customer Facility Charge** – Similar to PFC's, which are a user fee on airline tickets for customers, a CFC is put in place by State statute and is for car rental customers. The funds collected for a CFC can only be used for expenses related to supporting the car rental concessions and car rental customers at the airport. The Airport Authority adopted a CFC in October of 1997 and then in 2003 increased the amount from \$2.25 per contract to \$3.00 per contract. Looking ahead toward the Authority's intermediate to long term planning, a new car rental service facility and adjoining surplus parking for ready/return cars is planned. By increasing the CFC now, it would build the fund balance so when the time comes, there is working capital to start the design/engineering process, while also lowering the amount of money that would need to be borrowed for the construction phase. Staff conducted a survey of CFC's being charged by other airports in the area and found that the Authority's rate from 2003 is materially below market. Staff proposed an increase to the PFC of \$4.00, as well as going to a per day charge instead of a per contract charge. The per day charge is common in the industry.

Commissioner Sender made a motion to adopt Ordinance No. 206-19, an Ordinance Amending the Car Rental Customer Facility Charge as presented. The motion was seconded by Commissioner Groves and upon a roll call vote; Commissioner Kannaday – aye, Commissioner

Moran – aye, Commissioner – Denault – aye, Commissioner Groves – aye, Commissioner Sender – aye, Commissioner Hanson – absent and Chairman Allen – aye, the motion carried.

- G. **Tentatively Approve the Proposed Budget Materials for FY20** – The Finance Committee met on March 25th to review the draft budget materials. The recommendation of the Committee was to present the budget to the full board for their tentative approval. Once the budget is tentatively approved, it will be placed on display for 30 days with the final budget being voted on at the May meeting.

Similar to what has been done in the past, the budget materials were put together based on historic trends and updated as new challenges or opportunities presented themselves. The FY20 budget is projecting a modest surplus in the general fund. The FY20 budget also has the Hangar fund being incorporated into the General fund. Chairman Allen noted that the funds designated for pavement maintenance in the Hangar fund, not get lost when it is incorporated into the General fund.

Commissioner Grove made a motion to tentatively approve the proposed budget materials for FY20. The motion was seconded by Commissioner Moran and upon a unanimous vote, the motion carried.

VII. Staff Reports

- A. **Executive Director's Report** – Carl reported that passenger traffic for the month of March was exceptional with enplanements increasing 18.5% year over year; resulting in a YTD traffic increase of 18%. All airlines experienced strong traffic for the month of March, despite seat reductions and cancellations. Fuel sales were down for the month and air cargo was just down slightly.

Carl reminded members there is a public hearing for the budget ordinance prior to the May meeting at 4:20 p.m.

Staff is having ongoing discussions with TSA/GSA in regard to moving them into the terminal building. The space has been identified and TSA/GSA has come back with some upgrades they would like to see to the space. Staff is currently getting prices and working out the details of the lease rate.

The fuel farm demolition and site restoration project is getting underway. Farnsworth is working on final bid documents and site drawings/plans. Staff expects the bids to be on the street in the month of April, with a June date for completion of the demolition project. Javier and Brian have been working with Mr. Bob Kohlhase to coordinate with the Illinois State Fire Marshal's office as well as the IEPA to keep the project moving forward.

The relocated NICOR facility is still moving forward. Staff is working with NICOR on the final lease rate and the terms and conditions as to how the Authority does rate adjustments on the ground lease. NICOR is working to redo some of their design characteristics for the relocation of the site. Once they move the underground regulator from the intersection of East Empire and

Airport Rd., the Authority is asking them to bury their piping deeper in the ground for future expansion of that intersection.

Staff has been having conversations with AT & T on leasing them space on 3 overhead light poles for their signal boosters. The lease would generate about \$10,000 a year for 10 years. The air space has come back with a no interference. Staff is hoping to bring the agreement to the Board in the coming months.

Staff shared the project list for the upcoming bond issue with the members. Staff is meeting with bond councils on Wednesday and will begin working on the timeline. The goal is to come to the Board at the May meeting for their final approval.

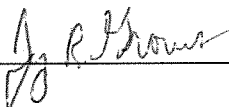
- B. Deputy Director of Operations and Facilities** – Mr. Javier Centeno was present to update the members on the progress of the Phase III Pavement Rehab Project. The project will consist of 6 phases, with a duration of 161 days. The airport will be in full operations during the entire project. Javier has met with all the tenants to discuss the upcoming project. During the project there will be weekly communications/updates with the tenants.

The full-scale exercise will be on June 22nd. This is part of Part 139 requirement that must be done every 3 years. In addition to the full-scale exercise, a table top exercise was held this morning. The main focus was family reunification. There were more than 50 people present, with all the mutual aid companies represented. The feedback was very positive.

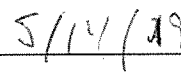
The Airport Operations Internship program was advertised on social media and the airport's website. Multiple candidates applied. This list was narrowed down to 3 for interviews and of those, an offer is going to be made later this week.

VIII. Adjournment

There being no other business to come before the Board, upon a motion being made, seconded and approved, the April 9, 2019 meeting of the Bloomington-Normal Airport Authority adjourned at 5:50 p.m.



Secretary



Date