

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

I. Call To Order

Chairman Allen called the meeting to order at 4:33 p.m. Commissioners Moran, Denault, and Sender were present. Commissioner Groves was absent. Commissioner Hanson was present via telephone. A quorum was acknowledged. Commissioner Kannaday arrived at 4:40 p.m.

II. Public Comments

No Public Comment

III. Approval of June Board Meeting Minutes

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

IV. Old Business

There was no old business.

V. Committee Reports

- A. Administration and Governance Committee – No report
- B. Audit/Finance Committee – No report.
- C. Personnel Committee – No report.
- D. Property and Facilities Committee – No report.

VII. New Business

- A. Approval of June Financial Statements – Ms. Hurd noted that the Authority is 2 months into the fiscal year. Revenues in the General Fund are slightly ahead of budget, while expenditures are running slightly over budget. This is due to larger repair and maintenance items which Staff is keeping an eye on. The Capital Fund had more activity for the month of June. The Authority

received reimbursements from the State and made a large payment on the snow removal equipment. The CFC Fund, both revenues and expenditures, are trending favorable to budget. The PFC Fund revenue for June is 17% higher than June of '18.

Several investment purchases were made in the month of June. Interest rates are down slightly.

The audit team is working to finalize the audit and Staff anticipates that being presented to the Audit/Finance Committee later in August.

Commissioner Sender made a motion to approve the June Financial Statements. The motion was seconded by Commissioner Hanson and upon a unanimous vote, the motion carried.

- B. Adopt Ordinance No. 210-19, The Annual Tax Levy Ordinance for 2019** – Per the Illinois Airport Authority's Act, the Authority is to adopt their tax levy on or before the 2nd Tuesday in August. Staff has been working with estimated numbers as the final Equalized Assessed Value has not come out yet. Based on the information Staff has, the proposed ordinance projects a corporate levy of \$1,111,922 compared to the \$1,079,536 levied last year. In addition, the total special levies (audit, FICA, IMRF, insurance, and worker's compensation) are proposed at \$380,000 compared to the \$381,076 levied last year. The increase in the total proposed levy is 2.14% which is less than the 5% trigger for advertising/holding a public hearing as required by the state's Truth in Taxation statute. No hearing was held this year. The money generated from the tax levy will be received in CY2020 and programmed into the FY2021 budget.

Commissioner Sender noted that perhaps amending the levy adoption date to coincide with other state governing bodies may be an item for the Administration and Governance Committee may want to consider. Thinking perhaps other IL airports may also want to join this effort to amend the Airport Authorities Act in order to facilitate the use of final EAV figures instead of using estimated figures.

Commissioner Denault made a motion to Adopt Ordinance No. 210-19, the Annual Tax Levy Ordinance for 2019. The motion was seconded by Commissioner Moran and upon a roll call vote; Commissioner Kannaday – aye, Commissioner Moran – aye, Commissioner Denault – aye, Commissioner Groves – absent, Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- C. Authorize Amendment to Capital Fund Budget** – In order to advance 2 new capital projects, Staff requested amending the Capital fund budget in order to administer the 2 projects.

The first project involves updating office space in the terminal building to accommodate new TSA staff. Through a tentative agreement reached with the Government Services Administration (GSA), the Airport Authority will be responsible for managing/funding leasehold improvements for new TSA space ahead of being fully reimbursed by the GSA upon completion. As such, in order to accommodate the expenditures and corresponding receipt of funds, Staff requested to add this project to the budget for the not to exceed cost of \$30,865.32.

The second new project involves the repair of the west ramp pavement by overlaying new asphalt in selectively identified areas. The pavement in this area experienced an accelerated deterioration this spring exceeding normal wear/tear; in turn requiring a response beyond what Staff would typically provide. By partnering with the paving company already working on site

to pave taxiways adjacent this area, Staff was looking to reduce the costs by eliminating mobilization costs, capturing competitively bid unit pricing, and expediting the completion of repairs. The proposed cost for the work is \$471,000 without using any federal AIP funding. Instead, local funds have been identified from the recently completed bond sale. There are multiple reasons why Staff recommended the use of local funds for this project. The first is the Authority's available FAA AIP funds are already programmed toward other projects and are not accessible at this time. More importantly, the reason for using local only funds is to preclude the Airport Authority from having to follow FAA administrative processes which significantly increase project cost/completion time. Additionally, by using only local funds the Authority will not be required to follow FAA lifecycle requirements or restrictions on future use of this area.

Commissioner Moran made a motion to amend the Capital Fund budget to administer the 2 new projects as presented. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

- D. Authorize Award of Construction Services Agreement with Rowe Construction**– Moving forward with the west ramp discussion, Airport Staff sought approval to award the construction agreement for the work to Rowe Construction from Bloomington, IL. As previously outlined, by virtue of already working on adjacent pavement areas, already having met insurance, security/airfield driving requirements, and currently working with the same type asphalt materials through a competitive bid, Rowe was identified as being the most qualified contractor likely to provide the best product on the best schedule with the best overall price.

Recognizing that Staff was not able to competitively price the work given the limited schedule and looking to save engineering costs in order to program more funds to increase pavement quantities, Staff relied upon in-house expertise supported by the assistance of CMT. Upon reaching a tentative agreement on the final scope of work, Staff secured a fee proposal which was reviewed by both Staff and CMT engineers. From this review it was determined the proposed quantities were accurate and the proposed unit costs for the large quantity items were significantly below the current contract price, while some smaller unit components were above the current contract figures for the Phase III project. Overall, it was determined the scope of work was complete and the fee proposal was reasonable/appropriate.

Commissioner Kannaday made a motion to authorize the award of the Construction Services Agreement with Row Construction for a not to exceed price of \$471,000. The motion was seconded by Commissioner Moran and upon a unanimous vote, the motion carried.

- E. Authorize Professional Services Agreement with Crawford, Murphy, and Tilly, Inc.** – One of the approved capital projects for this year is the commencement of design work associated with the proposed new G.A. apron/campus. As a part of initiating this work the Authority will need to first complete the required environmental and ALP materials for FAA review/approval. To complete this work Staff would like to engage Crawford, Murphy, and Tilly to perform this work in accordance with the terms of the retainer agreement recently awarded to them.

This work will be completed on a cost-plus fixed fee basis in line with FAA and IDA requirements with a proposed not to exceed cost of \$81,941.52. Initially the Authority will cover the cost using local capital funds with an eye toward seeking 95% reimbursement through an FAA/IDA grant funds in the future.

Commissioner Sender made a motion to authorize the Professional Services Agreement with Crawford, Murphy, and Tilly, Inc for a not to exceed cost of \$81,941.52 to provide NEPA/ALP submission materials for FAA review/approval. 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 right after the Board adopted the Prevailing Wage Ordinance during the June meeting, Staff became aware that the governor had signed Public Act 100-1177, eliminating state municipalities from being required to adopt this local ordinance each June.

The new economic impact study being done in partnership with ISU is getting underway. Final agreement language has been agreed upon and a project kick-off meeting was recently held.

The ISU student art gallery is making good progress and they continue to expect to have work completed this summer.

Work on the new mother's lounge will begin later in the week. Demolition of the former Bevande space has been completed. The contractor is waiting on a building permit from the City of Bloomington. The goal is to have the mother's lounge completed by the first half of August and the pre-security lounge area ready by the end of August. Staff is also working on replacing the relax and recharge area furniture. The goal is to bring that to the Board at the August meeting.

Work on the acquisition/installation of the new emergency alert system has also gotten underway. Materials are starting to be delivered and an agreement has been reached with the FAA to hang repeater antennas on the Tower.

The new shuttle bus has been awarded and has been ordered. It should be delivered within 120 days.

The fuel farm removal project is making very good progress. The tanks have been removed, along with the oil/water separator. The building should come down next week. The area will be restored to grass.

Phase III of the airfield pavement rehab project is also moving along very well. Runway 2/20 was reopened right on schedule. While work was being done on taxiway F, a significant underground stream was discovered. Staff worked with CMT and the contractor to implement a solution and work continued. Work will begin on taxiway E and work down towards the main ramp. After Rowe completes the repaving of taxiways C and D, they will move to the general aviation ramp.

Staff will be reaching out to the Audit/Finance Committee and the Personnel Committee to schedule meetings in the upcoming weeks.

B. Deputy Director of Marketing – Ms. Fran Strebing was present to share the operations number with the Board, along with an update on marketing efforts.

Fran reported that CIRA had its best June in 6 years, with twelve consecutive months of positive traffic results. June was the 11th consecutive month with double digit increases. May saw a 26% increase in enplaned passengers, while June saw a 25% increase in enplaned passengers. All airlines are doing well. Seat capacity for the month of June was positive by slightly more than 17%, yet traffic increased by 25%. CIRA is out performing the seat capacity increase. Loads are strong on Allegiant, especially to Orlando Sanford. American continues to show strength, despite 3 cancellations for the month, with no capacity increase. Atlanta continues to be strong for Delta. Staff continues to have conversations with Delta to increase capacity again. Frontier also did well for the month. At this time, it does appear that the Denver service will be seasonal again this fall/winter. Fuel sales were up for the month, while air cargo was down just slightly.

Commissioner Sender inquired if there was a way to find out final destination for those folks who are going to Orlando. Are they staying in the area or renting cars and going other places? Fran explained there is no good way to gather that data.

Fran shared the most recent promotion #my CIRAdventure which is currently on Facebook. The concept is for people to see their friends and neighbors who are using CIRA. The promotion will run for 4 weeks and the grand prize winner will receive \$500 in airfare out of CIRA. Fran thanked Commissioner Moran for the idea. Fran also shared that Elena has taken over posting on all social media for CIRA. She is doing a great job.

Fran shared the printed version of the Annual Report and noted if anyone would like more copies, please feel free to contact her.

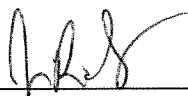
The TSA pre-check event in June was successful. Another event will be held September 9 – 13th.

VIII. Executive Session

Commissioner Kannaday made a motion at 5:29 p.m., to recess for a couple of minutes and reconvene in executive session under 5 ILCS 120/2(c)(11). The motion was seconded by Commissioner Hanson and upon a unanimous vote, the motion carried.

IX. Adjournment

Commissioners, Kannaday, Moran, Denault, Sender, Hanson and Chairman Allen reconvened in regular session at 6:12 p.m. with no actions taken. With there being no other business to come before the Board, upon a motion being made, seconded and approved, the July 9, 2019 meeting of the Bloomington-Normal Airport Authority adjourned at 6:13 p.m.



Secretary

8/15/19

Date