

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY  
BOARD OF COMMISSIONERS  
REGULAR MEETING MINUTES  
TUESDAY, APRIL 14, 2020  
4:30 PM**

**Due to the Governor's orders (Executive Order 2020-7 and Executive Order 2020-18) restricting gatherings of people, and in an effort to minimize the potential spread of COVID-19, the meeting was held telephonically. Board members and public were present via telephone with Airport Staff being physically present in the boardroom.**

**I. Call To Order**

Chairman Allen called the meeting to order at 4:35 p.m. Commissioners Kannaday, Moran, Denault, Sender and Hanson were present telephonically. A quorum was acknowledged. Commissioner Groves joined the meeting at 4:52 p.m.

**II. Public Comments**

There was no public comment.

**III. Approval of March Board Meeting Minutes**

Commissioner Hanson made a motion to approve the March 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 meeting.
- B. **Audit/Finance Committee** – The Committee met on April 2<sup>nd</sup> to review the banking services RFP. That item will be covered under Item B on the agenda.
- C. **Personnel Committee** – No meeting.
- D. **Property and Facilities Committee** – No meeting.

## VI. New Business

- A. **Approval of March Financial Statements** – Ms. Hurd was present to update the Board on the financials. It was reported the Authority is now through 11 months of the fiscal year and both revenues and expenses in the General Fund are tracking favorable to budget with another positive year end result expected. The Capital Fund received some large invoices related to the chiller project late in March. Those invoices were paid the first part of April and are in accounts payable as of the March report. The CFC Fund, both revenues and expenses, are trending favorable to budget at this point in the year. The PFC revenues for March were reported very strong. Ms. Hurd noted that these funds lag behind and what is reported was for the month of February. PFC's were 7% higher than the same period last year. Fiscal year to date, PFC's are up about 8%.

While there are no accounts receivable concerns at this time, Staff will be monitoring this area more closely due to the rapidly changing economic situation. Ms. Hurd also advised that with investment interest rates being so low, and given the uncertain times, Staff is expecting to let some of the investments mature and not reinvest them right away in order to increase cash on hand.

It was also reported the annual audit preliminary field work is scheduled for May 6<sup>th</sup> and 7<sup>th</sup>. Typically, they are on site for this work, but given the stay at home order, details are still being finalized.

Commissioner Denault 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 Banking Services Agreement** – In preparation for the expiration of the May banking services agreement, Staff released a formal Request for Proposals and received 4 submissions from area banks; Commerce Bank, US Bank, First Financial Bank, and First State Bank. Upon receipt of the submissions Staff reviewed them for completeness and accuracy and created an executive summary, which was shared with the Audit and Finance Committee prior to meeting on April 2<sup>nd</sup>. During the meeting, the members reviewed the proposals and requested additional information on certain features of the submissions.

During the conversation, questions arose regarding the merits of changing a banking services provider at this particular time. Given the current business environment with its rapidly changing environment, with finance staff largely working from home, the end of the fiscal year and the start of the audit and the ability to quickly and properly open new accounts/transfer funds and change over the automated payment receivables, the members of the Committee thought it best to remain with the existing service provider at this time. However, instead of awarding an agreement with a 5-year term with an accompanying 5 year renewal, it was the Committee's recommendation that a 3 year agreement with a single 3 year renewal option be awarded. As a part of this recommendation, the Committee recommended the Board make the determination directing Staff to either award the renewal option or administer a new RFP.

Commissioner Hanson made a motion to authorize the banking services agreement with Commerce Bank for a 3-year term with a 3-year renewal option, with the Board determining if Staff should release an RFP or award the renewal. The motion was seconded by Commissioner Denault and upon a roll call vote; Commissioner Kannaday – abstained, Commissioner Moran –

abstained, Commissioner Denault – aye, Commissioner Groves – absent, Commissioner Sender – abstained, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried with 3 ayes, 0 nays, and 3 abstentions.

Due to technical issues, Commissioner Groves was unable to join the meeting until 4:52 p.m., after the vote occurred on this agenda item. Out of deference to Commissioner Groves, the Chair entertained a request to reconsider the item for additional discussion and to allow a vote that would include Commissioner Groves' decision. The Board granted its unanimous consent to such reconsideration. Carl briefed Commissioner Groves on the proposals and the recommendation of the Audit/Finance Committee. Upon reconsideration, a new vote on the agenda item was taken. Commissioner Hanson made a motion to authorize the banking services agreement with Commerce Bank for a 3-year term with a 3-year renewal option, with the board determining if staff should release an RFP or award the renewal. The motion was seconded by Commissioner Denault and upon a vote of 4 ayes, 0 nays, and 3 abstentions (Commissioners Kannaday, Moran and Sender), the motion again carried.

- C. **Approve Budget Amendments for FY20** – Ahead of the April 30<sup>th</sup> completion of the Authority's fiscal year and prior to starting the annual audit, Staff reviewed the FY20 budget materials to identify if any final amendments might be necessary. From this review, it was determined some amendments were warranted as a result of changed conditions which occurred throughout the year.

There was one amendment sought for the General Fund and the Capital Fund. The General Fund change was to request additional expenditure authorization totaling \$25,000. In making this request, Staff reported the General Fund is still expected to end the year with an operating surplus even as expenditures are expected to come in higher than projected.

Staff also requested an amendment to the Capital Fund budget as previously discussed. This change will entail increasing the approved project budget for the chiller project by \$125,000 to reflect costs associated with increasing system capacity as identified once the project commenced. The additional funds will be programmed from the recent Series 2019 GO bond program.

Staff also asked for a group of three amendments involving the PFC program. The first sought authorization to transfer an additional \$45,100 to the debt service account after generating higher than projected program revenues. The final two amendments involve the PFC Bond Fund and the 2011 PFC Bond Fund and are needed to properly account for the bond refinancing activity completed earlier this year. In the PFC Bond Fund transfers to other funds needs to be increased by \$1,519,200 and in the 2011 PFC Bond Fund total expenditures should be increased by \$10,870,300 to properly reflect the payoff of the 2009 bonds, and transfers/issuance costs related to the bond refinancing.

Commissioner Sender made a motion to authorize the overall increase in expenditures in the FY20 budget items as presented. The motion was seconded by Commissioner Hanson and upon a unanimous vote, the motion carried.

- D. **Authorize Construction Agreement**– As a part of installing the new terminal advertising displays, Staff would like to engage a contractor to prep the site. The work will involve demolishing the existing units, rebuilding portions of the wall, installing new electrical and data,

painting and finishing the wall and replacing carpet on the baggage carousels. Staff secured 2 competitive bids; PJ Hoerr Construction at \$27,940 and Givisco Construction at \$28,100.00. Both bids have been reviewed and both were found to be qualified, responsive, accurate and complete.

Commissioner Groves made a motion to authorize the construction agreement to PJ Hoerr for \$27,940.00. The motion was seconded by Commissioner Hanson and upon a unanimous vote, the motion carried.

- E. **Adopt Ordinance No. 216-20, An Ordinance Abating the Levy of 2019 Property Taxes for Rivian Automotive in Accordance with the 2016 Economic Incentive Agreement** - This item was tabled until the May meeting.

## VII. Staff Reports

- A. **Executive Director's Report** – Carl reported that enplanements for the month of March were down 49%. The first half of the month was strong, but the 2<sup>nd</sup> half of the month saw single digit load factors. Staff is anticipating that numbers for April and May will be significantly lower than March, likely to be less than 1,000 enplanements a month. This is a result of the shut down of the economy and the travel industry due to the COVID-19 pandemic. Aircraft operations were down as well.

It was reported that capital projects are continuing to move forward. The chiller project is moving along very well, despite a 2-week delay associated with having the equipment cross the border into the U.S. The project is still set for a middle of May completion date. Also, work is advancing on the demolition of the old terminal building. The hazardous materials inspection has been completed. Staff is awaiting the final report. Work on preliminary design plans have also started.

As previously reported, the Authority successfully navigated through the rapid business decompression that occurred in the last few weeks due to the COVID-19 pandemic. From an operational perspective, CIRA has remained open, safe, secure and compliant and will continue going forward. All air traffic, public safety and required staffing responsibilities have been maintained. While there is only a minimal level of activity on some of CIRA's business partners, some business partners have continued to operate full schedules, namely both FedEx locations, Dumont and OSF Life flight. The remaining businesses both on the field and in the terminal have significantly reduced their staffing, hours of operation and commercial activities.

From an HR/admin perspective, Carl provided the members with a report on how the Authority's staff have successfully adopted new work practices which satisfied both recommended safe practices, while keeping the airport/organization operational.

The members were advised the tentative FY21 budget materials they approved last month were no longer valid given the impact of the pandemic. Going forward, Staff will be developing new materials for presentation to the members for consideration within the coming 30-60 days. As a part of this, Carl reminded the members the Authority has until the end of July to adopt the budget ordinance in order to remain compliant with the IL Airport Authorities Act.

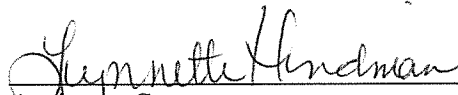
It was also reported the Airport Authority had just received notice CIRA would be receiving \$4.6 million dollars from the recently adopted CAREs Act. These funds will be originating from the federal government's general fund and distributed by the FAA through the IDA. Ahead of receiving administrative direction, Airport Staff has started to identify how these funds might be programmed. The main priority will be to protect the PFC bond program to ensure sufficient funds for both the 2020 and 2021 debt service payments. Thereby eliminating the need to program taxpayer funds for any short fall.

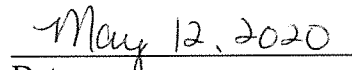
Carl also shared thoughts/observations suggesting the air travel recovery is expected to be very long and uneven; with the airline industry needing to transition/evolve yet again and what impact this will have on airports.

Chairman Allen thanked Staff for all their work and flexibility with the ever-changing environment. He also thanked the members for their flexibility with the meeting.

### VIII. Adjournment

There being no other business to come before the Board, upon a motion being made, seconded and approved, the April 14, 2020 meeting of the Bloomington-Normal Airport Authority adjourned at 5:35 p.m.

  
Assistant Secretary

  
Date