

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
TUESDAY, MARCH 10, 2020
4:30 PM**

I. Call To Order

Chairman Allen called the meeting to order at 4:32 p.m. Commissioners Moran, Denault, Groves and Sender were present. Commissioner Hanson was present via telephone. A quorum was acknowledged. Commissioner Kannaday was absent.

II. Public Comments

Mr. Andy Peterson from Civil Air Patrol was present to update the Board on their activities. There has been a new change of command for the primary commander of the squadant. Aaron Nelson has assumed command. Civil Air Patrol is continuing to work with Synergy on opportunities to move out of the old terminal building.

Charlie Bates, from the EAA Chapter, was present to update the Board on their activities. Saturday, April 4th the Chapter will be hosting an AOPA rusty pilots' seminar from 9 am to noon. They are expecting 40 attendees. Monday, April 6th, 80 STEM students from Normal West will be on site for a tour of the airport. On May 28 – 31st the Ford Tri-Motor will be back. The Chapter is working with PAM, the airport and Synergy on the event.

III. Approval of February Board Meeting Minutes

Commissioner Groves made a motion to approve the February 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. **Administration and Governance Committee** – The Committee met on March 4th to review and discuss the legal services proposals. That will be covered under Item B on the agenda.
- B. **Audit/Finance Committee** – The Committee met on February 27th to review the draft budget. That item will be covered under Item F on the agenda.

- C. Personnel Committee – No report.
- D. Property and Facilities Committee – No report

VI. New Business

- A. Approval of February Financial Statements – Ms. Hurd was present to update the Board on the financials. The Authority is 10 months through the fiscal year. The General Fund is still trending positively for both revenues and expenses. Staff anticipates ending the year in a positive position. The Capital Fund didn't have a lot of activity for the month of February. The CFC fund revenues are ahead of budget, while expenditures are just slightly over budget, leaving a positive bottom line. The PFC revenue for February was 4% higher than the same period last year. Fiscal year to date, PFC's are up about 8% compared to last fiscal year.

The banking services RFP was released February 28th, published in the *Pantagraph* and on the website. Ms. Hurd anticipates having a recommendation for the Board at the April meeting.

Commissioner Denault made a motion to approve the February Financial statements. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

- B. Authorize Letter of Engagement for Legal Services - The attorney the Airport Authority has worked with on specialized aviation/airport legal issues for the past 14 years has accepted a new position and the firm will be ending this practice. As a result, Staff released a request for qualifications to identify interested and qualified firms as a replacement. In response to the RFQ, three submissions were received; Kaplan, Kirsch & Rockwell, LLP, Anderson & Krieger, LLC and DSR LLC. All three submissions were responsive with no conflicts of interest. Two of the submissions came from large firms, with 35+ attorneys and one response came from a solo practitioner. The proposals were shared with the Administration and Governance Committee on March 4th. Following discussions at the meeting, the Committee decided to wait to make a recommendation to the Board, until Staff had an opportunity to complete all the references.

It was Staff's recommendation to the Committee to rank the solo practitioner, DSR LLC, first and the other 2 firms equally second. There were concerns with the solo practitioner not having a "deep bench". Carl reached out to DSR and shared the Committee members concern. DSR responded that the firm he is building will only have a small number of clients and should the workload become too much for 1 person, he does have a network of attorneys he could engage to help with the workload on a subcontract basis. All the references for DSR came back positive. At the request of the Committee Carl reached out to Kaplan Kirsch to see if they would offer any other discounts. They responded that they wouldn't typically offer a bigger discount above the current discount in the proposal, however, if the workload were to increase or there were certain specific projects that were very work intensive, they would be open to conversations about either setting up a fixed fee for that project or having discussions for further discounts based on the workload. Carl noted that the engagement letter is not binding nor is it exclusive. The Board could offer letters of engagement to all 3 firms if they wanted to.

Commissioner Groves made a motion to accept Staff's recommendation and authorize the letter of engagement for legal services with DSR LLC. The motion was seconded by Commissioner Denault and upon a unanimous vote, the motion carried.

- C. **Authorize Professional Services Agreement with Farnsworth Group** – The first step in demolishing the old terminal building is to engage a firm to prepare a set of demolition plans/specifications and secure/oversee hazard determination and remediation as needed. To that end Airport Staff requested Farnsworth Group to provide a proposed scope of work/fees to complete the work, which would also include construction administration services for the demolition phase. After reviewing materials and making some minor adjustments, Staff requested a new professional services agreement, with Farnsworth Group for a not to exceed cost of \$69,000 which includes a 15% contingency. It was noted the contingency was increased to this level to reflect the unknown conditions inside the building and expecting that accurate/complete building plans may not be available. It was also noted the agreement would not include the work of subcontractors that may be needed to complete hazard remediation. That work would fall to a sub-contractor for the project's general contractor. Staff is working toward having this project completed by the start of the winter season.

A motion was made by Commissioner Moran to authorize the Professional Services Agreement with Farnsworth Group for a not to exceed \$69,000. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

- D. **Authorize Award of New Farm Agreement**– The current farm agreement expired a year ago. Because there wasn't enough time to get the data together and go out for bid, the agreement was extended for 1 additional year. A new farm contract was put out for bid in February. The bid opening was held on March 6th. Two bids were received that lead to an auction, with the final bid coming in at \$315.00 per acre. This is down about 2% from the current agreement. Mr. David Black was again the high bidder. The agreement is for 2 years plus a 1-year option on a cash rent basis.

Commissioner Denault made a motion to authorize the award of the new farm agreement to Mr. David Black for \$315.00 per acre. The motion was seconded by Commissioner Moran and upon a unanimous vote, the motion carried.

- E. **Authorize Amendment to Commercial Aviation Service Agreement with Synergy Flight Center** – Following the closure of Image Air, and the purchase/assignment of the assets to Synergy Flight Center, Synergy approached the Airport Authority with a request to amend their current FBO agreement, which expires in March of 2023, to allow them to have commercial use and control of the former Image Air facilities. The way the FBO agreement is structured, the operating privileges the Authority gave to Synergy only function in certain areas of the airport. That doesn't include the former Image spaces. The amendment would be a new exhibit to the current agreement which would add the footprint of the 2 hangars to the agreement, allowing Synergy to use those hangars for commercial purposes. With Synergy's request to amend the agreement, the Airport Authority has an opportunity to review/refresh certain federal provisions within the agreement to reflect the most current required language. Staff would like new legal counsel to review the current FBO agreement and recommend any FAA/TSA required language modifications. There are no changes to the benefit of the bargain, no new fees, no rate changes, no new controls. This would keep the agreement contemporary until its expiration in 2023. Chairman Allen noted that he is very pleased Synergy is moving forward and they are doing an excellent job.

Commissioner Denault made a motion to add exhibit B, which is the lease premises of the former Image Air hangars, to the current FBO agreement and to make any required FAA language changes, as determined by legal counsel. The motion was seconded by Commissioner Groves and upon a unanimous vote, the motion carried.

- F. **Approve Tentative FY2021 Budget Materials** – In line with prescribed practices, Staff prepared the proposed budget materials for FY21 for member consideration. Similar to past years, budget materials are based upon historic trends with updates reflecting new budget trends. The draft budget materials were reviewed by the Audit and Finance Committee on February 27th. After a thorough review, the Committee recommended presenting the budget materials to the full Board for their acceptance and approval.

Commissioner Groves made a motion to approve the tentative FY2021 budget materials and put them on display for 30 days. The motion was seconded by Commissioner Moran and upon a unanimous vote, the motion carried.

VII. Staff Reports

- A. **Executive Director's Report** – Carl noted that the members should be receiving an invitation, if they haven't already, from OSF Aviation for a facility blessing and ribbon cutting ceremony for the new OSF Life Flight helicopter base at CIRA. The event will take place April 16th.

Passenger enplanements for the month of February were up 2.1%, bringing the year to date increase to 5.3%. Overall, the trend in business and leisure travel continues to be strong. Seat capacity throughout the month was give and take, with some airlines cutting seat capacity, while others added. Fuel sales were up slightly for the month, aircraft operations were also up, while cargo was down just a few points. This is a reflection of Amazon parting ways with FedEx last year.

Carl reported to the Board that the Authority is following the Health Department and CDC guidelines on the Covid-19 virus. Messaging has increased, along with stepping up disinfecting efforts. Staff has also reached out to third party vendors to get prices for a deep cleaning/disinfecting if needed. Staff is working on options for Authority employees, keeping in mind that certain things need to be done everyday in order to maintain compliance. Business activity is starting to slow down. At this point in time, there have been no flight cancellations. Staff expects to see a decline in car rental and retail commissions. Carl also reported the Authority is prepared and with its strong cash reserve, low debt, and talented team the Authority has a solid foundation as we enter this business downturn.

- B. **Deputy Director of Operations and Facilities** – Javier was present to update the Board on activities in the Operations and Maintenance departments.

The pre-construction meeting for the terminal chiller project was held in late February, followed by a security/training meeting with all the contractors and subcontractors. All the badging has been completed. The materials and equipment have been ordered for the project. The timeline for the project is 40 days. Mobilization started March 9th with construction starting March 16th. The goal is to complete the project by May 1st in time for the summer cooling season.

The fountains inside the main vestibule doors are getting an update. That work should begin in the next couple of weeks.

The yearly security audit has been completed with the TSA and the feedback was positive.

Staff is working with Synergy on amending the Security plan and the Airport's Certification Manual, due to their recent addition of the former Image Air hangars. Staff is also working with the GA community regarding security for their upcoming events.


The winter season is wrapping up. There were 16 events involving both ice and snow actions.

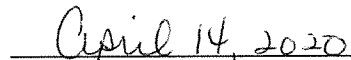
Javier introduced Michael Swanson as the new operations intern. Michael is from O'Fallon Illinois and graduated from SIU Carbondale. He thanked the Board for the opportunity to work at the airport. Michael worked at St. Louis Lambert airport while in school.

Fran introduced Jeremy Lamb, the new marketing intern. Jeremy is in his third year at ISU. He is from Auburn Illinois and is studying marketing communication analytics. He is working on the Airport's social media. He also thanked the Board for the opportunity.

VIII. Adjournment

There being no other business to come before the Board, upon a motion being made, seconded and approved, the March 10, 2020 meeting of the Bloomington-Normal Airport Authority adjourned at 5:45 p.m.


Assistant Secretary


Date