

**BLOOMINGTON - NORMAL AIRPORT AUTHORITY  
BOARD OF COMMISSIONERS  
REGULAR MEETING MINUTES  
TUESDAY, SEPTEMBER 8, 2020  
4:30 PM**

Consistent with 5 ILCS 120/7(e), due to renewed concerns with the COVID-19 pandemic, the meeting was held virtually, via GoToMeeting at gotomeeting.com, with a call-in number of (517) 317-3122 and a Meeting ID of 833-569-141. The public was also offered the opportunity to submit public comments prior to the meeting, but no later than 2 p.m. on September 8<sup>th</sup>.

**I. Call To Order**

Chairman Allen called the meeting to order at 4:30 p.m. Commissioners Kannaday, Moran, Groves, Sender and Hanson were present virtually. Commissioner Denault joined the meeting virtually at 4:38 p.m. A quorum was acknowledged.

**II. Public Comments**

There was no public comment.

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

Commissioner Hanson made a motion to approve the August Board meeting minutes. The motion was seconded by Commissioner Groves and upon a roll call vote; Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – absent, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, 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 August 20<sup>th</sup> and 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 August Financial Statements – Ms. Hurd reported that the Authority is 4 months into the fiscal year. Revenues are currently ahead of budget, due mostly in part because of the unanticipated credits received from Corn Belt, as well as replacement taxes and car rental commissions. Ms. Hurd noted that the replacement tax revenue is considerably higher than in years past. The State has indicated that these funds will be down this year. Staff will continue to monitor this item. Expenditures are underbudget with savings in the shuttle/custodial salaries as well as advertising. The CFC fund revenues and expenses are trending favorable to budget. PFC revenues for the month of August were down about 74% compared to August of last year.

Staff continues to monitor the accounts receivable with nothing significant to report this month.

Ms. Hurd noted that she has received notification from the Comptroller's office that the CAREs Act money has been released. She anticipates the money should be coming any day. The 2<sup>nd</sup> request was submitted earlier in the day.

Commissioner Hanson made a motion to approve the August Financial statements. The motion was seconded by Commissioner Moran and upon a roll call vote, Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – aye, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- B. Acceptance of Annual Audit Report for FY20 – The Audit/Finance Committee met on August 20<sup>th</sup> with Staff and personnel from Sikich to review the audit for Fiscal Year 2020. The reports for FY20 included the PFC audit, the single audit required by the acceptance of federal funds, the comprehensive financial audit, and the auditor's report to the Commissioners. Commissioner Kannaday noted it was a clean unmodified opinion. Commissioner Kannaday thanked Paulette and her team for their hard work on the audit. Chairman Allen asked Staff to look at the Investment Policy and make any necessary changes for the Board's final approval.

Commissioner Hanson made a motion to authorize the acceptance of the annual audit report for FY20. The motion was seconded by Commissioner Groves and upon a roll call vote, Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Groves – aye, Commissioner Denault – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- C. Authorize Extension to Ground Lease Agreement with Frontier Communications – The Authority entered into a ground lease originally with GTE North, back in 1989 for 6400 square feet of land for a switching/maintenance building for their communication system. A new lease was entered into in 2009. The current agreement expired this past November, and due to COVID and a delay in reaching a consensus on a new lease rate, the agreement has been allowed to continue on a monthly basis. Discussions between Frontier and Staff resulted in a new methodology for the rate structure. As opposed to a running CPI increase, which has been the basis for the agreement since 1989, Staff was able to transition to an appraisal-based valuation with a 10% return, bringing the agreement to current market value standards. The new

agreement is a 5-year agreement, based on market value with a 10% return. The lease rate will increase approximately 55% over the 5-year term.

Commissioner Denault made a motion to authorize the extension to the ground lease agreement with Frontier Communications, as presented. The motion was seconded by Commissioner Moran and upon a roll call vote, Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – aye, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- D. **Authorize New Terminal Lease Agreement with SITAONAIR** – SITAONAIR has approached the Authority to lease a small amount of square footage in the west mechanical room for their radio equipment. SITAONAIR is a Belgium company that uses radio equipment to provide services to the airlines. The agreement is for an indefinite time with a 3% annual increase in the lease rate. The agreement would have a 30-day cancellation notice requirement and is similar to other agreements that the Authority has with other companies that provide this same type of service.

Commissioner Hanson made a motion to authorize a new terminal lease agreement with SITAONAIR as presented. The motion was seconded by Commissioner Moran and upon a roll call vote, Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – aye, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- E. **Authorize Professional Services Agreement with the Farnsworth Group** – As Staff moves forward with the HVAC equipment upgrade, the building automation system (BAS) is the next to be replaced. This system is original to the building and consists of software monitoring/controlling the HVAC system in addition to numerous airflow control units. This project was approved in the Capital Budget for this year. In order to move the project forward, Staff would like to engage Farnsworth Group to do the design work, prepare the bid specifications and to ultimately oversee the installation/completion of the work on site. The agreement would be for a not to exceed \$30,800.00

Commissioner Kannaday made a motion to authorize a Professional Services Agreement with the Farnsworth Group for the replacement of the building automation system for a not to exceed fee of \$30,800. The motion was seconded by Commissioner Sender and upon a roll call vote, Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – aye, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- F. **Authorize New Ground Lease with the Federal Aviation Administration** – In 2002 the Board of Commissioners approved a 20-year ground lease with the Federal Aviation Administration for the no cost lease of property to support the air traffic control tower. In preparation for the September 30<sup>th</sup> expiration of the agreement, Airport Staff and FAA representatives engaged in discussions aimed at reaching a consensus on the terms/conditions for a new agreement.

At this time conversations with the FAA have resolved many of the Authority's concerns. Largely leaving just a few points and housekeeping items currently being addressed by legal counsel for both parties. Recognizing this is a no cost lease with the FAA, who is approaching

the end of their fiscal year, Airport Staff sought pre-approval to move forward - subject to final legal review/approval - prior to the actual completion of these negotiations.

Commissioner Groves made a motion to authorize the new 20 year, no cost, ground lease with the Federal Aviation Administration. The motion was seconded by Commissioner Moran and upon a roll call vote, Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – aye, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- G. Authorize Award of Terminal Exterior Repair/Painting Agreement** – Earlier this summer, Airport Staff released a competitive bid specification to repair the exterior EFIS system and paint the exterior of the terminal building. Three bids were received. One bid was determined to be non-responsive for no insurance certification. The two responsive bidders had widely divergent prices. Staff was concerned by this, so therefore followed up with each company confirming the processes, products, schedules and references. Staff found no determining factor to not award to the low bidder, R.W. Vandegraft, from Hudson IL.

Commissioner Groves made a motion to authorize award of the Terminal Exterior Repair/Painting Agreement to R.W. Vandegraft for the base bid and alternate, for a total price of \$113,685.20, with a 15% allowance at Staff's discretion. The motion was seconded by Commissioner Kannaday and upon a roll call vote; Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – aye, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

- H. Approve Declaration of Surplus Property** – As Staff moves forward with awarding the purchase of the new brooms and one of the older units is taken out of service, there is an opportunity to part out and sell the old equipment. Recognizing there is a possibility the combined sale of these parts would exceed the \$20,000 limit requiring Board approval, Airport Staff requested the members consider pre-approving the sale. The surplus equipment is the 2009 Western Star vehicle with a Sweepster broom attachment.

Commissioner Moran made a motion to approve the declaration of surplus property as presented. The motion was seconded by Commissioner Denault and upon a roll call vote; Commissioner Kannaday – aye, Commissioner Moran – aye; Commissioner Denault – aye, Commissioner Groves – aye; Commissioner Sender – aye, Commissioner Hanson – aye and Chairman Allen – aye, the motion carried.

## **VII. Staff Reports**

- A. Executive Director's Report** – Carl reported that due to the early timing of the meeting, the August operations report is not ready. Once complete, it will be shared with the Board. Carl also thanked the Board for their pre-approval on the AIP grants last month. The grants are now forth coming. The Authority is receiving over \$1.6 million dollars for the GA apron design project and the snow equipment replacement. Once Staff has reviewed and executed the grants, they will be sent to the State for their review and approval.

Carl also reported that the new lease with TSA has been finalized. GSA accepted the Authority's most recent proposal; thereby negating any need for a meeting of the Properties and Facilities Committee.

Staff has been able to reconnect with ISU on the Economic Impact Study. They have asked Staff for assistance with acquiring data from one of the airport's tenants. Staff is hopeful the study will be completed yet this fall.

Conversations with Nicor Gas on the relocation of their facility have restarted again. The current ground lease expires in 2022. A tentative agreement has been reached to find a new location/path for the underground regulator. Nicor has advised Staff this project is both funded and scheduled for 2021. The design for this work is being completed.

Contract and bonds have been completed for the demolition of the old terminal building. The pre-construction meeting, as well as the coordination meetings with the effected tenants have been completed.

The Fuel Farm License Agreement is in the final draft with legal counsel. A briefing will be forthcoming to the Properties and Facilities Committee for their review. Following their review, feedback and direction, Staff anticipates presenting this to the full Board at the October meeting.

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

Mr. Centeno reported that the pavement rehab project is finally complete. All construction items have been completed, along with punch list items and an inspection from the State. This has been a 5-year long project that went very well. Chairman Allen thanked Javier and his Staff for all their hard work on the pavement project.

The old terminal demolition project will start September 14<sup>th</sup> and should take 85 days. A construction and temporary security fence will be the first item to be installed before demolition can start. The actual demolition of the building won't start until mid-October. The final seeding, more than likely, will not take place until the spring of 2021.

Snow removal preparations have begun. Equipment is being tuned up and supplies are being ordered. Javier also noted that out of concern for possible scheduling challenges that could be driven by COVID, additional seasonal personnel will be hired/trained this year for both landside and some areas of airside snow removal. An RFP for the car rental parking lot snow removal operations has been released. Sealed proposals are due by September 25<sup>th</sup> with a recommendation coming to the Board at the October meeting.

Staff recently participated in the yearly runway safety team action meeting which is conducted by the air traffic control tower. The meeting was held at Fire Station 6 with a good attendance. Feedback was very positive.

### VIII. Adjournment

There being no other business to come before the Board, upon a motion being made, seconded and approved, the September 8, 2020 meeting of the Bloomington-Normal Airport Authority adjourned at 5:26 p.m.

Lynnette Hinchman  
Assistant Secretary

October 13, 2020  
Date