

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

Fort Wayne-Allen County Airport Authority Board Meeting

Regular Session

January 21, 2019

3:00pm

A meeting of the Fort Wayne-Allen County Airport Authority Board was held in the Airport Authority Conference Room, on January 21, 2019 at Fort Wayne International Airport, 3801 W. Ferguson Rd., Fort Wayne, Indiana 46809, pursuant to proper legal notice. A quorum being present, Mr. Barry Sturges, President, called the meeting to order at 3:07 p.m.

ATTENDANCE:

**AIRPORT AUTHORITY
BOARD MEMBERS:**

Richard B. (Barry Sturges, Jr., President, present
Benjamin (Ben) T. Johnston, VP, present
Timothy J. Haffner, Secretary, present
Jerome F. (Jerry) Henry, Jr., absent
Cornelius B. (Neil) Hayes, absent
Gregg C. Sengstack, present

**AIRPORT AUTHORITY STAFF
& LEGAL COUNSEL PRESENT:**

Scott Hinderman, Executive Director
Robin Strasser, Dir. Admin. & Finance
Joe Marana, Dir of Facilities and Operations
Mike Deam, Airport Authority Attorney
Tom Trent, Airport Authority Attorney
Doug Robertson, Controller
Patrick Dooley, Airport Development Director
Joe Behling, Aero Center General Manager
Rebecca Neild, Air Service and Marketing Manager
Mary Easterday, Administrative Asst.

CALL TO ORDER:

A quorum being present, Mr. Sturges called the meeting to order at 3:07 p.m.

1. CONSIDERATION AND APPROVAL OF TODAY'S AGENDA:

Mr. Scott Hinderman indicated staff had no changes to the posted agenda.

Mr. Tim Haffner made a motion to approve the January 21, 2019 Board Agenda as posted. Mr. Ben Johnston seconded the motion; the motion carried.

2. ANNUAL ELECTION OF OFFICERS:

The board historically conducts an annual election of officers for the three positions of President, Vice President, and Secretary of the Board during the first board meeting of the year. Mr. Tim Haffner made a motion to approve the following slate of officers to serve in 2019:

Board President – Mr. Barry Sturges

Board Vice President – Mr. Ben Johnston

Secretary – Mr. Tim Haffner

Mr. Gregg Sengstack seconded the motion; the motion carried.

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3. ANNUAL COMMITTEE APPOINTMENTS:

Mr. Barry Sturges informed board members, as president of the board, it is his responsibility to appoint board members to serve on board standing committees during the up-coming year. Mr. Sturges made the following board committee appointments:

To the Air Service Development & Marketing Committee, Mr. Sturges appointed Neil Hayes, Ben Johnston, Joe Marana (Director of Operations and Facilities), and Robin Strasser (Director of Administration and Finance).

To the Real Estate & Airport Development Committee, Mr. Sturges appointed, Jerry Henry, Joe Marana (Director of Operations and Facilities), Robin Strasser (Director of Administration and Finance), and himself.

To the Administrative Services & Executive Committee, Mr. Sturges appointed Tim Haffner, Gregg Sengstack and himself.

Additionally, Mr. Sturges authorized the Executive Director of Airports to appoint other staff members or GFW Inc staff members if one or both Joe Marana (Director of Operations and Facilities) or Robin Strasser (Director of Administration and Finance) were unable to attend the committee meetings that they are appointed to.

Board committee assignments and focus of work for 2019 are outlined as follows:

Administrative Services / Executive Committee

Budgets
Finance & Financial Reporting
Accounting
Personnel
Policy & Procedures
City/County Liaison
Legal Services
Insurance

Committee Members

1. Barry Sturges, Chair
2. Tim Haffner
3. Gregg Sengstack

Air Service Development & Marketing Committee

Air Service Development
Public Relations
Consumer Marketing

Committee Members

1. Neil Hayes, Chair
2. Ben Johnston
3. *Joe Marana
4. **Robin Strasser

Real Estate & Airport Development Committee

Leases
Terminal Operations

- Restaurant
- Parking

Committee Members

1. Barry Sturges, Chair
2. Jerry Henry
3. *Joe Marana
4. **Robin Strasser

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- Ground Transportation
- Rent-A-Cars
- Concessions
- Airlines
- Other Tenants

Ordinance Review

Zoning

Land and Easement Acquisition

Physical Plant & Equipment

Airfield Operations

Streets & Grounds

Miscellaneous Operations

Air Traffic Control

Airfield Planning & Development

- Development & Marketing of James E. Kelley Commerce Aero Center
- Development & Marketing of Air Trade Center
- Non-Aeronautical Land Uses & Development

Vehicles & Equipment Acquisition

General Aviation

Military Operations

Greater Fort Wayne Inc. Economic Development Liaison

Committee

**Director of Operations and Facilities*

***Director of Administration and Finance*

4. CONSIDERATION AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

Mr. Tim Haffner made a motion to approve the Administrative Consent Agenda as follows:

- Approval of Board Minutes – 12.10.2018
- Review & Approval of Claims #19-1
- Accounts Receivable Report

Mr. Gregg Sengstack seconded the motion; the motion carried.

5. ACTIVITY REPORT – DECEMBER 2018

Ms. Rebecca Neild reported to board members on recent Airport Authority air service and marketing activities. Her report to the board included the following:

- December enplanements were up 3.26 % compared to December of last year.
- In 2018, enplanements were up 3.49% compared to total enplanements in 2017.

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- FWA had a total of 381,139 enplanements and 757,519 total passengers in 2018.
- 2018 marked the ninth consecutive year of passenger growth at FWA.
- American Airlines continues to hold the greatest market share at over 35% - American is up 23% with the addition of the PHL flight.
- Delta was up 1% year over year.
- Allegiant was down 6% in December compared to December 2017. In December 2017 Allegiant had 10 weekly flights compared to only 8 in 2018.
- December was the first month Allegiant flew an all new Airbus fleet with no MD-80 aircraft in service. These flights fluctuate in AZA from 1 – 2 times weekly and PGD from 3-5 times weekly.
- United continues to be down approximately 20% because of the loss of the EWR flight.

Ms. Neild completed her report by reporting on the following marketing events:

- The Air Show is now set for June 8-9, 2019.
- The Airport Authority's Home for the Holidays promotion ended at the end of December. The last soldier came home the day after Christmas. In total, three soldiers were able to be reunited with their families over the holidays. The Airport Authority partnered with WANE television station, and received great coverage of the promotional event.
- A ribbon-cutting ceremony the new entrance road was recently held and received excellent media coverage as well. WANE was the only tv station who came, and they did a nice job reporting. Other news media outlets, Fox 55, ABC 21, radio stations and the Journal Gazette covered the story but did not make it to the actual event.
- The Airport Authority's annual Thank You / Appreciation Celebration is being planned for Thursday, January 24, 2019 from 5:00 – 8:00 p.m. A special recognition of Mr. Mike Gouloff is being planned for 6:00 p.m. during the event. All board members were encouraged to attend and were told they could still register to attend the event.

Mr. Haffner inquired on the load factor for the PHL flight added in June of 2018. Ms. Neild informed board members that currently the flight is operating at around 50%. American Airlines is willing to let the flight mature (approximately 1 year anniversary) and then evaluate its performance at that time. American Airlines has indicated they want to see a load factor between 60% - 70%.

6. COMMITTEE REPORTS

Mr. Hinderman reported that the Real Estate Development Committee met in both executive and regular sessions on January 15, 2019.

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Mr. Hinderman informed board members that the READ Committee did take formal action on one item during the public session and the formal action taken would be discussed later during the meeting.

7. LEASE REVIEW AND APPROVAL – RATIFICATION OF NEW HANGAR (2016) LEASE AGREEMENT WITH ZIMMER BIOMET

Mr. Hinderman informed board members that staff has successfully negotiated a lease agreement with Zimmer Biomet regarding the operation of their Gulfstream G550 aircraft N550ZB out of FWA. Zimmer Biomet has signed a lease agreement to lease non-dedicated space in Hangar 2016 – as soon as construction is completed. Mr. Hinderman indicated staff is hoping to have a certificate of occupancy on the newly constructed hangar by Thursday, January 24, 2019. Mr. Hinderman outlined the details of the lease as follows:

- Hangar 2016, non-dedicated space
- 9,015 square feet
- Aircraft is a Gulfstream G550
- Monthly rent will be \$11,280.00
- \$1.25 square foot/month
- \$15.00 square foot/annual
- Terms are for 1 year with an automatic extension unless either party objects (90 days written notice)
- 90 days written notice of lease termination by either party.
- Billing will begin upon notice of Hangar 2016 readiness for occupancy (anticipated 01/24/19)

Mr. Hinderman further explained to board members that the lease with Zimmer Biomet as outlined has already been fully executed, (Mr. Hinderman is authorized to sign lease agreements of 1 year or less) because the lease contains an automatic extension, Mr. Hinderman requested the board's formal endorsement and ratification of the executed lease agreement with Zimmer Biomet for the lease of building 2016. Mr. Hinderman also noted that this lease agreement was discussed by the READ Committee during the January 15, 2019 READ Committee meeting and that the READ Committee voted to recommend formal endorsement and ratification of this lease agreement by the full board.

Mr. Tim Haffner made a motion for the board to grant their consent and formal endorsement to ratify the Lease Agreement between the Fort Wayne Aero Center and Zimmer Biomet for the lease of Building 2016 as outlined. Mr. Ben Johnston seconded the motion; the motion carried.

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**8. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 19-01:
REAPPOINTMENT OF TREASURER**

Mr. Scott Hinderman informed the board that Resolution No. 19-01: Reappointment of Treasurer was also coming before the board for their approval. This annual agenda item designates one individual to sign checks, issue stop payment orders, and make electronic funds transfers on behalf of the Fort Wayne-Allen County Airport Authority. Mr. Hinderman reminded board members that Ms. Robin Strasser, Airport Authority's Director of Administration and Finance has been serving as the board Treasurer since September 1, 2018. Resolution No. 19-01 was presented to the board for approval, naming Ms. Robin Strasser as Treasurer.

Mr. Tim Haffner made a motion to approve Resolution No. 19-01 and reappoint Ms. Robin Strasser as treasurer. Mr. Gregg Sengstack seconded the motion; the motion carried.

**9. CONSIDERATION AND APPROVAL FOR STAFF TO ACCEPT ALL FEDERAL
AND STATE GRANTS FOR 2019 FOR FORT WAYNE INTERNATIONAL
AIRPORT AND SMITH FIELD AIRPORT WITH EXECUTIVE DIRECTOR
SIGNATURE AUTHORITY**

Mr. Hinderman reported that airport staff continues to work with the Federal Aviation Administration and the Indiana Department of Transportation – Office of Aviation for eligible capital improvement projects. For Fiscal Year 2019, the Airport Authority submitted multiple projects for consideration and funding support. If these projects, or other projects that may or may not be submitted throughout the year, are favorably received, the grant turn-around time to accommodate the FAA will be limited. The following projects are listed as examples of projects that staff is anticipating the receipt of federal/state grants:

FWA:

Terminal Apron Improvements Phase 1, 2, 3 (Design, Environmental, and Construction)

SMD:

Taxiway A Realignment Phase 2 (Design and Environmental)

All of the projects listed above anticipate using Federal Airport Improvement Program Funds, FAA Discretionary Funds and/or any other potential federal or state funding that becomes available. Mr. Hinderman requested approval from the Board to authorize the Executive Director of Airports to sign and accept any Federal and or Indiana Department of Transportation grant funding that the Fort Wayne-Allen County Airport Authority may be awarded in calendar year 2019 (not only projects for which funding has been sought). Mr. Hinderman also noted that this approval will assist staff to expedite stringent grant acceptance timeframes frequently imposed by the FAA.

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Mr. Tim Haffner made a motion to authorize the Executive Director of Airport to sign and accept any grant funding that the Fort Wayne-Allen County Airport Authority may be awarded in 2019. Mr. Gregg Sengstack seconded the motion; the motion carried.

**10. CONSIDERATION & APPROVAL OF 2018 ENCUMBERED APPROPRIATION
(TO BE ADDED TO 2019 BUDGET APPROPRIATIONS)**

Ms. Robin Strasser reported to the board that the following encumbered amounts were committed by the Authority in 2018 with either an approved purchase order or contract.

Staff is requesting Board approval to carry the following 2018 encumbered appropriations over to the 2019 budget:

<u>Appropriation Number</u>	<u>Budget Classification</u>	<u>Amount</u>
4100	Personal Services	\$ 15,624.98
4200	Supplies	105,376.68
4300	Other Services and Charges	420,567.07
4400	Capital Outlay	<u>8,844,463.58</u>
	Total Encumbrances	<u>\$ 9,386,032.31</u>

Because goods and services had not been delivered or completed by the end of 2018, a payment could not be made and neither could accounts payable be recorded for these commitments. Ms. Strasser informed the Board that staff is therefore requesting Board approval to add the above amounts to the appropriated balances in the 2019 budget. Staff will then have the authority to pay for these commitments in 2019 once goods and services are delivered.

Mr. Tim Haffner made a motion to approve the 2018 encumbered appropriations to be added to the 2019 budget. Mr. Ben Johnston seconded the motion; the motion carried.

11. OTHER BUSINESS

Mr. Hinderman indicated staff had no other business to bring before the board at this time.

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12. ADJOURNMENT

Mr. Haffner moved to adjourn the January 21, 2019 Regular Session Board Meeting at 3:25 p.m. Mr. Barry Sturges adjourned the meeting.

EXECUTIVE SESSION:

An Executive Session was held immediately following the regular session board meeting, on January 21, 2019 in the Airport Authority N211 Conference Room, at Fort Wayne International Airport, 3801 W. Ferguson Road, Fort Wayne, Indiana 46809, to discuss Personnel (pursuant to IC 5 14 1.5 6.1(b)(5) or (b)(6) or (b)(9), Lease Negotiations (pursuant to IC 5 14 1.5 6.1(b)(2)(D), pending or threatened litigation which is pursuant to IC 5 14 1.5 1(b)(2)(B), and confidential records which is pursuant to IC 5 14 1.5 6.1 (b)(6).

Attendance:

Mr. Richard B. (Barry) Sturges, Jr., President, present
Mr. Benjamin (Ben) T. Johnston, Vice President, present
Mr. Timothy J. Haffner, Secretary, present
Mr. B Cornelius B. (Neil) Hayes, absent
Mr. Jerome F. (Jerry) Henry, Jr., absent
Mr. Gregg Sengstack, present
Mr. Mike Deam, present
Mr. Tom Trent, present
Mr. Scott Hinderman, present
Ms. Robin Strasser, present
Mr. Joe Marana, present

By signing the minutes of the January 21, 2019 board meeting, it is hereby certified that nothing other than the topics, as noted above, were discussed during the Executive Session.

Signatures on File

Mr. Benjamin (Ben) Johnston
Board Vice-President

Mr. Timothy Haffner
Board Secretary