

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

Fort Wayne-Allen County Airport Authority Board Meeting

Regular Session

November 12, 2018

3:00pm

A meeting of the Fort Wayne-Allen County Airport Authority Board was held in the Airport Authority Conference Room, on November 12, 2018 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, Vice - President, called the meeting to order at 3:05 p.m.

ATTENDANCE:

**AIRPORT AUTHORITY
BOARD MEMBERS:**

position vacant, President
Richard B. (Barry) Sturges, Jr., VP, present
Timothy J. Haffner, Secretary, absent
Benjamin (Ben) T. Johnston, present*
Jerome F. (Jerry) Henry, Jr. present
Cornelius B. (Neil) Hayes, present
**electronic participation*

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

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

CALL TO ORDER:

A quorum being present, Mr. Sturges, Vice-President, called the meeting or order at 3:05 p.m.

1. CONSIDERATION AND APPROVAL OF TODAY'S AGENDA:

Mr. Scott Hinderman informed board members there would be one announcement to present under "Other Business"; otherwise staff had no changes to the posted agenda. Mr. Sturges informed board members that board member Mr. Ben Johnston would be attending the meeting electronically and so each vote taken would be by roll call.

Mr. Neil Hayes made a motion to approve the November 12, 2018 Board Agenda as posted. Mr. Jerry Henry seconded the motion; the motion carried. Mr. Sturges called for a roll call vote.

Below is a tally of the votes:

Mr. Benjamin Johnston - Aye
Mr. Neil Hayes – Aye
Mr. Jerome F. Henry – Aye
Mr. Barry Sturges – Aye
Mr. Timothy Haffner – absent
The motion carried.

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2. CONSIDERATION AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

Mr. Neil Hayes made a motion to approve the Administrative Consent Agenda as follows:

- Board Meeting Minutes 10.15.2018
- Review and Approval of Claims #18-11
- Accounts Receivable Report

Mr. Jerry Henry seconded the motion. Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Benjamin Johnston - Aye

Mr. Neil Hayes – Aye

Mr. Jerome F. Henry – Aye

Mr. Barry Sturges – Aye

Mr. Timothy Haffner – absent

The motion carried.

3. CONTRACT CONSENT AGENDA

- a. Change Order Number 1 for the Contract with Fort Wayne Roofing, Air Trade Center Roof Replacement, TB18-B

This change order is a project increase in the amount of \$8,790.00 and covers costs to replace a damaged condensing unit on the northeast quadrant of the roof.

Staff recommended approval of this change order with signature authorization for the Executive Director of Airports.

- b. Addendum Number 1 to Professional Service Agreement with CHA for the Terminal Apron Improvements-Phases 1 & 3, Design and Bid Phase Services

Addendum No. 1 to the Indefinite Delivery Services Agreement with CHA Consulting, Inc. is to provide design and bid phase services for Phases 1 and 3 of Terminal Apron Improvements. Phase 1 primarily focuses on the improvements on the east side of the terminal area generally between the east end of the terminal building and Hangar 1003. Phase 3 furthers improvements on the west side of the terminal by removing additional composite asphalt/concrete pavement to facilitate new concrete terminal apron pavements.

CHA has proposed fees associated with the services in the amount not-to-exceed \$334,895.00. Staff obtained an independent fee estimate (IFE) in accordance with federal guidelines. The negotiated fees proposed by CHA are less than the comparative IFE, and staff felt that the fees are reasonable. Staff recommended the Board make a motion to award this contract to CHA in the not-to-exceed amount of

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\$334,895.00. Staff also requested authorization for the Executive Director to execute the contract documents.

Mr. Neil Hayes made a motion to approve the Contract Consent Agenda as presented. Mr. Jerry Henry seconded the motion. Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Benjamin Johnston - Aye

Mr. Neil Hayes – Aye

Mr. Jerome F. Henry – Aye

Mr. Barry Sturges – Aye

Mr. Timothy Haffner – absent

The motion carried.

4. ACTIVITY REPORT – OCTOBER 2018

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

- October 2018 enplanements were up 3.38 % compared to October of last year. Year to date, enplanements are up 3.39%.
- American Airlines continues to hold the greatest market share at almost 35% - with the addition of the Philadelphia flight, American enplanements are up 17%.
- Year over year, Delta is down 7% due to the loss of frequency to Detroit, a trend that unfortunately has been seen all year.
- Allegiant is up 10% year over year, due to the recent up gauge in aircraft (Allegiant continues to phase out the MD-80s with the Airbus 319 and 320) – and the fact that we currently have more seats in the market.
- United continues to show a loss of enplanements (down 19%) due to loss of Newark flight.

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

- The 2019 Air Show has had a change in dates and is now scheduled for June 8 – 9, 2019.
- The Annual Air Service Luncheon was held on November 7, 2018 and was well attended by community leaders and well received by those in attendance. Ms. Neild thanked the board members for attending and board members commended Ms. Neild for doing an outstanding job coordinating and facilitating the Air Service Luncheon.
- FWA initiated Valet Parking Services on November 6, 2018. Staff will be testing this service over the winter months to see what level of utilization it will receive from passengers. A formal press release regarding the new service will go out early next week.

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5. COMMITTEE REPORTS

Mr. Hinderman reported that both the Real Estate Development Committee and the Air Service Development and Marketing Committee met in both executive and regular sessions on November 6, 2018.

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

Mr. Hinderman informed board members that the only formal action to take place during the ASM public session was the approval of the minutes from the August 2018 meeting. No items requiring formal board action were brought before the ASM Committee during the public session.

6. CONSIDERATION AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT BETWEEN FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY AND GREATER FORT WAYNE, INC.

Mr. Hinderman informed board member that the airport authority annually renews its professional services agreement with Greater Fort Wayne Inc. This professional services agreement serves as the airport authority's contract with Greater Fort Wayne Inc. for the airport development service performed by Mr. Patrick Dooley, Director of Business Development. This PSA has been in place since 2002. The PSA provides for a range of services to include; marketing, air service development, economic development, real estate and property management services as defined in the PSA 2019 Work Plan and modified as needed during the year by the Executive Director. The amount of the PSA for 2019 is in the amount of up to Five Hundred Twenty-Four Thousand Eight Hundred Sixty Dollars (\$524,860.00). Mr. Hinderman informed board members that this represents a small reduction from the 2018 approved budget.

Mr. Hinderman also noted funds are reserved in the FWACAA Budget but not expended until GFW invoices for actual services provided on the 10th of the month for the preceding months activities.

The 2019 budget includes \$100,000 for air service development and \$20,000 reserved for ANG-122 consulting services. Board members were also informed that \$25,000 is allotted for a handling fee – all other expenditures are for products and services rendered.

Mr. Hinderman informed board members that the agreement was reviewed by the READ Committee at their November 6, 2018 meeting with a vote of approval and a recommendation of approval by the full board of directors.

Mr. Neil Hayes made a motion to approve the 2019 Professional Services Agreement by and between the Fort Wayne – Allen County Airport Authority and Greater Fort Wayne Inc. to provide a range of services to include; marketing, air service development, economic development, real estate and property management services as defined in the PSA 2019 Work

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Plan and modified as needed during the year by the Executive Director. The amount of this PSA is in the amount of up to Five Hundred Twenty-Four Thousand Eight Hundred Sixty Dollars (\$524,860.00). Mr. Jerry Henry seconded the motion. Mr. Sturges called for a roll call vote.

Below is a tally of the votes:

Mr. Benjamin Johnston - Aye

Mr. Neil Hayes – Aye

Mr. Jerome F. Henry – Aye

Mr. Barry Sturges – Aye

Mr. Timothy Haffner – absent

The motion carried.

7. INTRODUCTION OF ORDINANCE NO. 18-02: 2019 RATES AND CHARGES ORDINANCE

Mr. Henry introduced Ordinance No. 18-02: 2019 Rates and Charges Ordinance. A public hearing on Ordinance No. 18-02 will be held at the December 10, 2018 board meeting.

8. CONSIDERATION AND APPROVAL OF RESOLUTION 18-06: 2019 SALARY RESOLUTION

Mr. Scott Hinderman informed the board that the salary resolution is presented every November for board consideration and approval and again this year, staff is presenting Resolution 18-06: 2019 Salary Resolution for consideration and approval. Mr. Scott Hinderman informed the board that the 2019 Salary Resolution is consistent with the salary Resolution 18-02 approved in July of this year, which made mid-year adjustments to the authority's pay structure and which went in to effect on August 5, 2018. The proposed 2019 Salary Resolution makes no changes to current job classifications or pay grades and all job titles will remain the same.

Mr. Hinderman requested that the board approve Resolution No. 18-06: 2019 Salary Resolution.

Mr. Neil Hayes made a motion to approve Resolution No. 18-06: 2019 Salary Resolution. Mr. Jerry Henry seconded the motion. Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Benjamin Johnston - Aye

Mr. Neil Hayes – Aye

Mr. Jerome F. Henry – Aye

Mr. Barry Sturges – Aye

Mr. Timothy Haffner – absent

The motion carried.

9. CONSIDERATION AND APPROVAL OF 2019 HEALTH INSURANCE RENEWAL

Ms. Robin Strasser reported that each year during the November Board meeting, the Authority presents to the Board its recommendation for medical insurance renewal for full time airport authority employees. She stated that several meetings were held throughout the year with our insurance broker, Leigh Smith of the Hylant Group, to discuss Authority claims experience, healthcare and medical insurance trends, and reporting requirements. With a slightly higher claim experience over the past year, Mr. Smith indicated that the Authority could expect a competitive rate for 2019, although he did not expect that we would see a 0% adjustment as we did last year. Our current medical insurance provider, Physicians Health Plan (PHP), initially offered a five percent (5%) premium increase for 2019. Ms. Strasser reported that Mr. Smith negotiated with PHP on the Authority's behalf, which resulted in an offer of a premium increase of two and one-half percent (2.5%) for 2019 with no adjustments to plan designs.

After discussion with Mr. Smith, Ms. Strasser told board members that staff believes that PHP is providing a fair competitive rate and would encourage the board to approve a contract with PHP for 2019 medical insurance with a two and one-half percent (2.5%) increase in premiums and give approval for the Executive Director to sign the contract.

Board members inquired if competitive bids were sought from other carriers. Ms. Strasser explained that part of the reason the authority retains the services of a broker is to assist the authority assess our insurance needs and shop for the best value in insurance coverage. Staff is pleased with the coverage provided by PHP and feels fortunate to be only seeing a 2.5% increase in premium cost.

Mr. Neil Hayes made a motion to approval a contract for 2019 medical insurance coverage for FWACAA staff with PHP, with approval for the Executive Director to sign the contract. Mr. Jerry Henry seconded the motion. Mr. Sturges called for a roll call vote. Below is a tally of the votes:

Mr. Benjamin Johnston - Aye
Mr. Neil Hayes – Aye
Mr. Jerome F. Henry – Aye
Mr. Barry Sturges – Aye
Mr. Timothy Haffner – absent
The motion carried.

10. OTHER BUSINESS

Mr. Hinderman reported staff had no other business to bring before the board at this time, however he had one announcement to make.

At the October 15, 2018 board meeting, the board of directors formally approved the sale of Airport Authority property to Continental Property Group, LLC. By law, the airport authority is required to publicly declare the selling price of the property. Mr. Hinderman informed board

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members the property would be sold for \$30,000 per acre. Mr. Hinderman also informed board members that public notice regarding the disposition of real estate at 9800 Smith Road (including the selling price of \$30,000 per acre) did appear in the Fort Wayne Journal Gazette on October 19, 2018.

11. ADJOURNMENT:

Mr. Hayes moved to adjourn the November 12, 2018 Regular Session Board Meeting at 3:25 p.m.; the meeting was adjourned.

EXECUTIVE SESSION:

An Executive Session was not held following the regular session board meeting.

Signatures on File

Mr. Barry Sturges
Board Vice President

Mr. Tim Haffner
Board Secretary