

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

Fort Wayne-Allen County Airport Authority Board Meeting

Regular Session

December 10, 2018

3:00pm

A meeting of the Fort Wayne-Allen County Airport Authority Board was held in the Airport Authority Conference Room, on December 10, 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, present
Benjamin (Ben) T. Johnston, present
Jerome F. (Jerry) Henry, Jr., present
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
Ryan Bauer, Operations Supervisor
Rebecca Neild, Air Service and Marketing Manager
Mary Easterday, Administrative Asst.

CALL TO ORDER:

Before calling the meeting to order, Vice-President Mr. Barry Sturges took the opportunity to welcome new board member Mr. Gregg Sengstack and expressed appreciation of Gregg's willingness to serve on the board. A quorum being present, Mr. Sturges called the meeting to order at 3:05 p.m.

1. CONSIDERATION AND APPROVAL OF TODAY'S AGENDA:

Mr. Scott Hinderman indicated he had two additional items to present to the board under "Other Business" – an Easement Agreement with Frontier Communications, Inc. and also a lease agreement with Paratus Air. Mr. Tim Haffner made a motion to approve the December 10, 2018 Board Agenda as posted. Mr. Ben Johnston seconded the motion; motion unanimously carried.

**2. 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 – 11.12.18
- Review & Approval of Claims #18-12
- Accounts Receivable Report

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

3. CONSIDERATION AND APPROVAL OF BID CONSENT AGENDA:

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

- a. *Recommendation and Award of a Request for Proposal for the Purchase and Installation of Advertising Displays at the Fort Wayne International Airport*

Airport staff solicited Request for Proposals for the purchase and installation of advertising displays at the Fort Wayne International Airport to include one 7' Digital Display and 20 Tension Fabric Display Banner signs. These signs will provide an updated look for advertising sales in the terminal.

In response to the initial solicitation, 4 proposals were received. After review of the initial proposals received, the evaluation team compiled a short list of two firms in which presentations were arranged. The two firms were asked to give a product overview, answer questions, and provide best and final offers.

Based on final scoring of the presentations and best and final offers, staff recommended the Board make a motion to award this RFP to Creative Realities whose proposal has been determined to be the most advantageous to the Authority. Staff requested a total award in the amount of \$152,114.07 over a 5-year period along with a request to authorize the Executive Director of Airports to sign the contract. The first-year costs will total \$149,453.00 to include product purchase, installation, training, and licensing fees.

Mr. Ben Johnston seconded the motion made by Mr. Tim Haffner to approval the Bid Consent Agenda with signature authorization for the Executive Director; motion unanimously carried.

4. CONSIDERATION AND APPROVAL OF CONTRACT CONSENT AGENDA:

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

- a. *Change Order Number 4 Runway 5-23 Rehab-Phase 1 with The Harper Company, AIP 69*

This change order is a decrease of \$13,943.26 to lower the total contract amount with the Harper Company to \$3,413,285.41. This change order includes additional final quantity adjustments for the AIP portion of the contract.

Staff recommended approval of this change order #4 in the deduct amount of (\$13,943.26) with signature authorization for the Executive Director of Airports.

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- b. *Change Order Number 2 for the Contract with Crosby Excavating, Terminal Entrance Drive Relocation, AF17-01*

This change order is a net project increase in the amount of \$72,590.10 and covers the following:

- Replacement of 17 Existing Pole Lights with LED
- Addition of 1 light in the Economy Lot

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

Mr. Gregg Sengstack seconded the motion made by Mr. Tim Haffner to approval the Contract Consent Agenda with signature authorization for the Executive Director; motion unanimously carried.

5. ACTIVITY REPORT – NOVEMBER 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:

- November 2018 enplanements were up 4.75 % compared to November of last year.
- Year to date, enplanements are up 3.51%.
- American Airlines continues to hold the greatest market share at over 35% - American is also up 17% with the addition of the PHL flight.
- Delta continues to be down around 4% due to the loss of frequency to Detroit – a trend that has been witnessed all year.
- Allegiant is up 13% year-over-year due to the recent up gauge in aircraft (phasing out the MD-80 with the Airbus 319 and 320) – we now have more seats in the market.
- United continues to be down, around 18% due to the loss of the Newark flight.

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

- Delta Global Services, a wholly owned subsidiary of Delta Air Lines will be combined with Argenbright Holdings, LLC to form a premier aviation and ground handling service provider under the DGS name, with a continued focus on elevating the customer service experience. Ms. Neild reported the new DGS, under management of the Argenbright team, is marketing itself to provide unparalleled service to airline customers as a best-in-class provider of airline-related services, ground support equipment maintenance, security and more. Board members asked what impact this would have at FWA and Mr. Hinderman indicated he was hopeful it would be a good thing and that service levels would improve.
- FWA is sponsoring a “Home for the Holidays” campaign and 3 servicemen will be flown home this holiday season arriving on December 21, 21 and 26.

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6. CONSIDERATION AND APPROVAL OF CHANGE TO 2019 HOLIDAY SCHEDULE

Ms. Robin Strasser informed board members that the board had formally approved the 2019 Holiday Scheduled during the June 2018 board meeting. At that time, staff was anticipating that the 2019 Air Show would be held July 6 & 7 2019. FWACAA employees' Independence Day holiday was previously approved for July 1, 2019 so that airport authority employees would be available on July 4, 2019 in final preparation for the Air Show.

Ms. Strasser reported that with the change in Air Show dates to June 8 & 9 2019 a conflict with the traditional Independence Day holiday no long exists. Staff is therefore recommending changing the previously approved Independence Day holiday from July 1, 2019 to July 4, 2019.

Mr. Haffner made a motion to approve the change to the 2019 Holiday Schedule setting the date for the Independence Day Holiday at July 4, 2019. Mr. Gregg Sengstack seconded the motion; motion unanimously carried.

7. CONSIDERATION AND APPROVAL OF RESOLUTION 18-07: APPROPRIATIONS TRANSFER

Ms. Robin Strasser reported to the board that the 2018 Budget was prepared six months prior to the beginning of the budget year and spending requirements were established at that time. Now, due to unforeseen requirements at the time the budget was established, certain accounts require additional spending authority, and several accounts need less spending authority because anticipated expenditures were unnecessary. Staff now requests Board approval to make the necessary transfers among several accounts as present in Resolution 18-07. These transfers will prevent appropriations from having deficient balances. The result of all transfers is a net increase of zero dollars to the 2018 Budget.

Mr. Tim Haffner made a motion to approve Resolution 18-07: Appropriations Transfer Resolution (as presented). Mr. Ben Johnston seconded the motion; motion unanimously carried.

8. PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 18-02: 2019 RATES AND CHARGES ORDINANCE

Mr. Hinderman informed the board that Ordinance No. 18-02 had been introduced at the November 12, 2018 board meeting and that a public hearing would be held on this particular ordinance.

Public Hearing – Mr. Deam opened the Public Hearing for Ordinance No. 18-02: 2019 Rates and Charges Ordinance. Mr. Deam indicated that staff would make introductory comments. The board and staff would have time for comments and questions and then the public would have the opportunity to come to the podium and speak to the matter.

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Staff Comments – Mr. Hinderman informed the board that prior to the beginning of each new year, airport authority staff presents the Rates and Charges Ordinance at the November Board meeting for its introduction and then for the Board’s approval at the December Board Meeting.

Fees are established in this ordinance so that the Authority is able to acquire revenue to support its expenditures as required by the FAA.

Mr. Hinderman noted the following changes were included in the 2019 Rates and Charges Ordinance: Airline fees will be updated based on the proposed 2019 budget including reduction of landing fees, ramp fees and terminal space fees. Fees will be added for tenants who need to replace lost keys, to include new cores when necessary; parking fees will be updated to include the valet service, increase the weekly maximum for Economy Lot; and add fees for towing illegally parked cars. The Customer Facility Charge (CFC) for rental car contract day was also increased from \$2.25 to \$2.50. Mr. Hinderman also indicated that the Ordinance had been reviewed by the READ Committee at their November meeting and they had approved the Ordinance with a recommendation for approval by the full board.

Board Comments – Board members inquired if there was anything that may be interpreted as controversial in the proposed 2019 Rates and Charges and Mr. Hinderman indicated there was not, noting the rental car companies were in agreement with the increase in the CFC.

Public Comments – Mr. Deam asked if any member of the public cared to comment about Ordinance No. 18-02: 2019 Rates and Charges Ordinance.

No member of the public came forward to comment about Ordinance No. 18-02: 2019 Rates and Charges Ordinance.

Closure of Public Hearing - Hearing no further requests for comment, Mr. Deam closed the Public Hearing for Ordinance No. 18-02: 2019 Rates and Charges Ordinance.

Board Action - Mr. Haffner made a motion to adopt Ordinance No. 18-02: 2019 Rates and Charges Ordinance. Mr. Ben Johnston seconded the motion; motion unanimously carried.

9. OTHER BUSINESS

Mr. Hinderman informed board members that Frontier Communications, Inc. had requested a utility easement on airport property leading into the terminal for the purpose of updating and adding additional capacity including updating services for Delta Airlines. The easement agreement would provide a standard 8ft easement – and all cabling would be placed in conduit already in place.

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Mr. Jerry Henry made a motion to approve and grant a utility easement to Frontier Communications, Inc. for the installation and updating cabling into the terminal for Delta Airlines. Mr. Tim Haffner seconded the motion; motion unanimously carried.

Mr. Hinderman also informed board members he had a signed lease agreement with Paratus Air which provides helicopter flight instruction and helicopter flight chartering for the lease of space at the old terminal building – building 426 at SMD. Paratus Air had signed a short term lease agreement in October (October 30, 2018 – December 31, 2018) but Paratus is interested in entering into a long term agreement.

Mr. Hinderman indicated the agreement being presented for consideration is for a two year lease term January 1, 2019 – December 31, 2020. Paratus would lease approximately 1554 square feet of building 426 at a rate of \$3.85 per square foot. The tenant would be required to operate under the SMD Current Minimum Standards Ordinance and will also sign a SASO Agreement.

Mr. Tim Haffner made a motion to approve the lease agreement with Paratus Air for the lease of space in SMD Building 426. Mr. Ben Johnston seconded the motion; motion unanimously carried.

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

10. ADJOURNMENT

Mr. Haffner moved to adjourn the December 10, 2018 Regular Session Board Meeting at 3:35 p.m. Mr. Barry Sturges seconded the motion; the meeting was adjourned.

EXECUTIVE SESSION:

An Executive Session was held immediately following the regular session board meeting, on December 10, 2018, 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., VP, present

Mr. Timothy J. Haffner, Secretary, present

Mr. B Cornelius B. (Neil) Hayes, absent

Mr. Jerome F. (Jerry) Henry, Jr., present

Mr. Benjamin (Ben) T. Johnston, present

Mr. Gregg Sengstack, present

Mr. Mike Deam, present

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Mr. Tom Trent, present
Mr. Scott Hinderman, present
Ms. Robin Strasser, present
Mr. Joe Marana, present

By signing the minutes of the December 10, 2018 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. Richard (Barry) Sturges
Board Vice - President

Mr. Timothy Haffner
Board Secretary