

FORT WAYNE-ALLEN COUNTY AIRPORT AUTHORITY

Fort Wayne-Allen County Airport Authority Board Meeting

Regular Session

September 18, 2017

3:00pm

A meeting of the Fort Wayne-Allen County Airport Authority Board was held in the Airport Authority Conference Room, on September 18, 2017 at Fort Wayne International Airport, 3801 W. Ferguson Rd., Fort Wayne, Indiana 46809, pursuant to proper legal notice. A quorum being present, Mr. Michael S. Gouloff., President, called the meeting to order at 3:04p.m.

ATTENDANCE:

**AIRPORT AUTHORITY
BOARD MEMBERS:**

Michael S. Gouloff, President, present
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, present

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

Scott Hinderman, Executive Director
Robin Strasser, Dir. Admin. & Finance
Joe Marana, Dir. Operations & Facilities
Mike Deam, Airport Authority Attorney
Patrick Dooley, Airport Development Director
Ryan Bauer, Airport Operations Supervisor
Laura Hakes, Purchasing Manager
Rebecca Neild, Air Service and Marketing Manager
Joe Behling, FBO General Manager
Ron Portis, Controller
Mary Easterday, Administrative Asst.

CALL TO ORDER:

A quorum being present, Mr. Gouloff called the meeting to order at 3:04 p.m.

1. CONSIDERATION AND APPROVAL OF TODAY'S AGENDA:

Mr. Scott Hinderman indicated that staff had one addition to the posted agenda and this item would be brought before the board under Other Business. Mr. Tim Haffner made a motion to approve the September 18, 2017 Board Agenda as amended, Mr. Neil Hayes 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 (Regular Session Only) – 8.21.17
- Review & Approval of Claims #17-09
- Accounts Receivable Report

Mr. Barry Sturges 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. Consideration and Award of TB17-C, Public Safety Department Bathroom Refurbishment

Airport staff solicited three quotes for the refurbishment of two bathrooms and one public restroom at the Public Safety Facility, 3808 Winters Road, Fort Wayne, IN 46809.

Staff received two quotations in response to the request. The lowest quotation was submitted by Lengacher Brothers Construction in the amount of \$55,308.00. Staff requested that the Board award the quotation to Lengacher Brothers Construction as the lowest responsive and responsible quote received with the Director of Operations & Facilities authorized to accept the quotation.

b. Runway 5-23 Rehabilitation, Phase 1

Airport staff solicited bids for Phase 1 of the Runway 5-23 Rehabilitation. The first of two phases, Phase 1 will focus on the Portland cement concrete pavement (PCCP) between Taxiways C3/B1 and Runway 5/Taxiway C5. Over the past several years, Authority maintenance staff has routinely been called on to repair severe spalling, corner breaks, cracking, and joint failures to maintain acceptable service levels for this section of PCCP southwest of Taxiway C3/B1. The intent of Phase 1 is to conduct extensive PCCP repairs, including panel replacement, to extend the service life of the runway pavement. Lastly, this project will rehabilitate the touchdown zone lighting which supports Runway 5-23.

In response to the bid solicitation, two bids were received. Airport staff along with CHA, our engineering firm, reviewed the bids and recommended that the Board make an award to The Harper Company for the base bid and additive alternates 1 & 2 in the amount of \$3,239,242.19 subject to the receipt of a federal grant.

Staff requested that the Board approve the following motion:

- An award to The Harper Company as the lowest responsive and responsible bid received to include the base bid and additive alternates 1 & 2 amount of \$3,239,242.19 subject to the receipt of a federal grant.
- Authorization for the Executive Director of Airports to sign the contract documents.

Mr. Barry Sturges seconded the motion made by Mr. Tim Haffner to approval the Bid Consent Agenda with signature authorization for the Executive Director; the 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. Addendum Number 8 to Professional Service Agreement with CHA for the 5-23 Rehabilitation Project-Construction Phase Services, Phase 1*

Addendum No. 8 to the Indefinite Delivery Services Agreement with CHA Consulting, Inc. is to provide construction phase engineering services for Phase 1 of the 5-23 Rehabilitation Project. CHA has proposed fees associated with the services in the amount of \$190,610.00. Staff has completed negotiation of these fees and feels that they are reasonable. Staff recommended award of this contract to CHA, contingent upon receipt of a federal grant, and requested authorization for the Executive Director to execute the contract documents.

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

5. ACTIVITY REPORT – AUGUST 2017

Ms. Rebecca Neild reported to the board that use of FWA and traffic through FWA remains relatively flat with total enplanements comparing August 2016 with August 2017 down 4.34% and year-to-date enplanements down less than 0.25%. Ms. Neild also noted that capacity has dropped with American dropping one flight per day on the Chicago route, and the cancellation of the Philadelphia route. Mr. Hinderman noted that both he and Ms. Neild had positive meetings this month in Cincinnati with the airlines. Mr. Hinderman also commented that generally speaking, the airlines are optimistic that the pilot shortage is beginning to turn around, however he believes FWA still is feeling the effects of the pilot shortage.

6. COMMITTEE MEETINGS

Mr. Hinderman reported that due to staff scheduling conflicts, the September 2017 and October 2017 meeting of the Real Estate and Airport Development Committee have been merged and rescheduled for September 28, 2017. There were no other committee meetings held.

7. RENTAL CAR CONCESSION AT FWA

Ms. Robin Strasser informed the board that the current concession agreements for the rental car agencies are set to expire on November 30, 2017. As is common authority practice, bids for the minimum annual guarantee were solicited. Ms. Strasser reported that staff received bids from the current rental car companies (Avis/Budget, Enterprise, Dollar/Thrifty, Hertz and National/Alamo). All rental car companies currently operating at FWA submitted bids during the bid process and these bids ranged between \$351,350 and \$77,170 (minimum annual

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guarantee). Ms. Strasser also noted that at the current time there are no additional terminal counter spaces available for any additional car leasing companies and emphasized that all companies currently operating at FWA did submit a bid during the bid process.

The negotiated agreement calls for the rental car companies to pay the authority the greater of, 10% of their gross receipts or their minimum annual guarantee bid amount. In addition, they will pay \$1,277.12 per month throughout the term for their terminal counter space (each is 384 square feet). There is no separate charge for the rental car lot.

The new agreement contains minor changes to the current lease and concession agreement with most terms remaining the same. Each car agency concession agreement would be for a 5-year term beginning December 1, 2017. Legal counsel has reviewed the bid documents and has approved as to form and legality.

Mr. Tim Haffner made a motion to approve the Rental Car Lease and Concession Agreements as presented with signature authorization for the Executive Director. Mr. Jerry Henry seconded the motion; the motion unanimously carried.

8. OTHER BUSINESS

Mr. Hinderman informed the board, that staff had one additional item to bring before the board under Other Business.

a. Resolution 17-03 Authorizing the Reopening of a Brokerage Account for the Sale of 361 Shares of American Airlines Common Stock

Mr. Hinderman informed the board that in 2014 the airport authority was presented with 3,738 shares of American Airlines common stock as the Authority's claim in the bankruptcy of American Airlines, Inc. and American Eagle Airlines, Inc. In final judgement and settlement, the Authority has been issued an additional 361 shares of common stock and has no desire to hold stock as an investment in any of its tenants at Fort Wayne International Airport.

The board was informed that Resolution No. 17-03 authorizes the Executive Director of Airports Scott Hinderman and Controller Ronnie Portis to reopen a brokerage account and to transact business on behalf of the airport authority, whereas they are authorized to transfer all authority-owned American Airlines stock to Fidelity Investments and sell the 361 additional shares. Mr. Hinderman further explained that like resolution 15-03 adopted in March of 2015, this resolution is a one-time agreement, specifically being adopted to dispose of the 361 shares of American Airlines, Inc. common stock currently being held by the airport authority.

Board members inquired as to the approximate value of the stock received and Mr. Hinderman indicated the present value was approximately \$17,000.00. Mr. Michael Deam was asked to read the proposed Resolution 17-03 to board members and Mr. Deam read the resolution.

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Mr. Haffner made a motion to approve Resolution No. 17-03: Authorization to Reopen Brokerage Account for the sole purpose of selling 361 shares of American Airlines common stock. Mr. Ben Johnston seconded the motion; motion unanimously carried.

9. ADJOURNMENT

Mr. Gouloff moved to adjourn the September 18, 2017 Regular Session Board Meeting at 3:33 p.m. Mr. Tim Haffner seconded the motion; the meeting was adjourned.

EXECUTIVE SESSION:

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

Signatures on File

Mr. Richard B. Sturges Jr.
Board Vice President

Mr. Jerome F. Henry
Board Member