

SPRINGFIELD AIRPORT AUTHORITY

Tuesday, November 17, 2020

REGULAR MEETING MINUTES

The regular meeting of the Board of Commissioners of the Springfield Airport Authority was called to order by Chair Vala at 5:00 p.m. on Tuesday, November 17, 2020, in the Conference Room at the Authority's offices at Abraham Lincoln Capital Airport.

PRESENT: Frank J. Vala, Chair*
Mike Meyer, Vice Chair
Elizabeth Delheimer, Commissioner
Tim Franke, Commissioner*
Dianne Hardwick, Commissioner
Mike Houston, Commissioner
Susan R. Shea, Commissioner
Mark Kinnaman, Treasurer
R. Beverly Peters, Secretary*
Jim Lestikow, Attorney*
Mark Hanna, Executive Director
Ken Boyle, Deputy Executive Director
Roger Blickensderfer, Director of Facilities & Maintenance
* Attended via Conference Call

ABSENT: None

VISITORS: Jim Hogge, Eck, Schafer & Punke, LLP

Vice Chair Meyer asked for a motion regarding the minutes of the Regular Meeting of October 20, 2020. Commissioner Houston made a motion to approve the minutes of the Regular Meeting of October 20, 2020, seconded by Commissioner Hardwick and carried with a roll call vote of 7 ayes/0 nays.

Commissioner Houston introduced Jim Hogge with the Authority's auditors, Eck, Schafer & Punke. Mr. Hogge gave a brief presentation and indicated the audit went very well. Several highlights of the audit noted a significant increase in capital assets, an increase in long-term debt due to the FBO/GA facility construction, and a decrease in the unfunded portion of the net pension liability. Commissioner Houston made a motion to accept the draft of the Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2020 and have the report prepared in final form for approval at the December meeting, seconded by Commissioner Shea

and carried with a roll call vote of 7 ayes/0 nays. Commissioner Houston stated that Mr. Hogge was very complimentary of Ken Boyle and staff on the audit preparations.

Chair Vala reported that Nancy Bahre has submitted her resignation from the position of Comptroller. The Board has accepted the resignation of Comptroller Bahre as of November 16, 2020. Comptroller Bahre resigned per the following email:

From: Nancy Bahre <njbahre@gmail.com>
Date: November 16, 2020 at 10:13:05 AM CST
To: fvala@aol.com, houston.m@comcast.net
Subject: Resignation

I am not able to fulfill the duties of Comptroller as outlined by the Authority's bylaws, which state that the Comptroller "*shall supervise the quality of the accounting and financial reporting functions of the Authority,*".

Therefore, I notified the Mayor of my resignation from the Airport Authority Board on October 21, 2020. I am advising the authority of the same action by this email.

I officially joined the Board in August and was invited to meet with Ken Boyle and Diane Boyle to review the Authority's financial reports. I reviewed the standard reports as well as the most current Annual report and audit. I then sent follow up questions to Ken by email and received an email response from him on August 17th that answered my questions and then stated "*The Chair has informed staff to refer any questions you may have on past management letters to the Finance Chair as he made all presentations to the board. Should you have further questions you are welcome to also contact the Chair as he is asking board members and officers to be patient with questions and inquiries due to the challenges created by the COVID epidemic and the large amount of facility development and construction activity underway.*" Mr. Vala, Mr. Houston, and Mr. Hanna were all copied on Ken's email.

I was uncomfortable with this direction, but attended two subsequent Finance meetings, evaluating if the review and discussion that occurred during the meetings ensured that I could meet the expectations as set forth in the bylaws.

I determined that without direct access to staff, especially during my inaugural days and weeks on the Board, I could not fulfill the duties of Comptroller to my satisfaction or as stated by the bylaws.

Nancy Bahre

Treasurer Kinnaman gave the Treasurer's Report, Deputy Executive Director Boyle gave the Comptrollers' Report and Commissioner Houston presented the Finance Chair Report.

Commissioner Houston discussed the longevity of the COVID virus.

Commissioner Delheimer discussed the Illinois Army National Guard Intergovernmental Agreement to lease space for their State Aviation Office. Discussion ensued regarding the holdover rent if the Guard should leave before the end of the lease. Commissioner Delheimer made a motion to approve an Intergovernmental Agreement between the Springfield Airport Authority and the Illinois Department of Military Affairs (Army Guard) to lease space located at 1181 Capital Airport Drive, and authorize the Board Chair to sign subject to the corrected rate of \$13.80/square foot referenced in Exhibit C regarding holdover rent in the agreement, seconded by Commissioner Shea and carried with a roll call vote of 7 ayes/0 nays.

Chair Vala gave an update on the construction projects.

Chair Vala reported that staff has met virtually with the Illinois Division of Aeronautics and the FAA to present the SAA's capital development plans to continue the development of the airport for the next five years. Commissioner Houston made a motion to concur with the proposed TIP and direct staff to submit to IDOT and FAA, seconded by Commissioner Shea and carried with a roll call vote of 7 ayes/0 nays.

Chair Vala discussed the construction of an observation tower at the southwest corner of the new Corporate and General Aviation facility. Commissioner Houston made a motion to approve the low bid in the amount of \$292,000 submitted by R.L. Vollintine Construction, Inc, and authorize the Executive Director to sign any project agreements/documents and authorize periodic payments during construction, seconded by Commissioner Hardwick and carried with a roll call vote of 7 ayes/0 nays.

Commissioner Hardwick reported a 50.76% decrease in year-to-date passenger activity compared to last year. The decrease is a result of the continuing effects of the COVID-19 pandemic. Executive Director Hanna discussed the status of American Airlines with flights scheduled to resume January 5th.

Commissioner Hardwick reported that fuel sales for the month of October were 78,069 gallons with revenue of \$10,809. Airline fuel continued a downward trend but volumes are

expected to stabilize moving into November. Retail Jet fuel sales remained steady compared to the previous month and military traffic added just under 5,000 gallons to the monthly total.

Commissioner Shea reported that she and Executive Director Hanna have met with a representative of the Illinois Channel. The first program of a series of airport stories will feature the development of the Air Combat Museum.

Attorney Lestikow reported on the Open Meeting Act Policy revisions. Changes are related to COVID and the need to meet remotely, and also changes based on rulings by the Illinois Attorney General. Commissioner Houston made a motion to approve the revised Open Meetings Act Policy and authorize the Board Chair to sign, seconded by Commissioner Hardwick and carried with a roll call vote of 7 ayes/0 nays.

Executive Director Hanna noted the financial audit report is a direct reflection of the entire Authority's (all departments) operation as to how it conducts business and executes the budget. He reported the SAA received an FAA AIP grant in the amount of \$2,070,000 which will partially cover the cost of the runway 18/36 project. More funds are expected in the near future that will allow for the formal award of the construction bid.

Chair Vala discussed updating and amending the existing By-laws to today's standards. The Board will consider By-laws updates at the December meeting.

It was announced the next meeting date was changed to Friday, December 11th.

Commissioner Shea made a motion to adjourn the Regular Meeting, seconded by Commissioner Houston and carried with a roll call vote of 7 ayes/0 nays.

The meeting adjourned at 6:30 p.m.

Frank J. Vala, Chair

R. Beverly Peters, Secretary