

**MINUTES
REGULAR BOARD MEETING
FEBRUARY 25, 2013**

CALL TO ORDER:

President Nathaniel Williams called the Regular Board Meeting to order at 10:04 a.m.

ROLL CALL:

Present: Silas Wilkerson, Attorney Collins, Pastor Johnson, Nathaniel Williams, Nicole Thorn and David Bochnowski.

Absent: Ross Amundson.

Executive Session Attendance: Silas Wilkerson, Attorney Collins, Pastor Johnson, Nathaniel Williams, Nicole Thorn and David Bochnowski.
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PRESIDENT WILLIAMS STATED THAT PURSUANT TO I.C. 5-14-1.5-6(D) THE BOARD OF DIRECTORS OF GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY HEREBY CERTIFIES THAT IT DISCUSSED NO SUBJECT MATTER IN THE EXECUTIVE SESSION OTHER THAN THE SUBJECT MATTER SPECIFIED IN THE PUBLIC NOTICE.

ATTENDEES:

ATTORNEY PATRICK LYP

S. LANDRY
C. KEITH
D. SCOTT

B. GYURKO – GYY PROJECT MANAGER
D. WHITEHEAD – GYY SECURITY
J. WARD – GYY MARKETING
M. FLORES – GYY ASST. MAINT. SUPERVISOR
KEN ROSS - NGC
SCOTT WHEELER - AECOM
RICK CORNETT – MILHOUSE ENGINEERING (AECOM)
STEVE SANDEFUR - NGC
AL STANLEY – JCLARK AVIATION GROUP
SHIRLEY STANFORD – CITY OF GARY
PAUL KARAS - GJC
ELZIE HIGGINBOTTOM – EAST LAKE MANAGEMENT DEVELOPMENT CORP.
JOHN GIRZADAS – BURLING BUILDERS, INC.
GENE RENEKE & TIM TOWKY – HAWTHORNE STRATEGY GROUP
RUFUS PURNELL – LIGHTHOUSE MARKETING

KEITH BENMAN – THE TIMES
JIM NOWACKI - CITIZEN
LT. BRUCE OUTLAW - GPD

Pastor Johnson led in Prayer. Silas Wilkerson led the Pledge of Allegiance.

MINUTES:

IT WAS MOVED AND SECONDED TO APPROVE THE REGULAR BOARD MEETING MINUTES OF FEBRUARY 4, 2013 AND FEBRUARY 11, 2013.

ROLL CALL

Mr. Wilkerson Aye
Attorney Collins Aye
Pastor Johnson Aye
Mr. Williams Aye
Mrs. Thorn Aye
Mr. Bochnowski Aye

MOTION CARRIED.

DIRECTOR’S REPORT:

➤ **Attorney Status Report**

Attorney Lyp stated that the airport is listed with two names: Gary Regional Airport and Gary Municipal Airport. The official name is Gary/Chicago International Airport Authority. During a conversation with the Records Office there were two ways to correct the name: 1. by Resolution and 2. Quick Claim Deed. Patrick felt that the better approach would be to do a Quick Claim Deed. Therefore, he recommended the Chairman be authorized to execute a Quick Claim Deed transferring the two properties from Gary Regional / Gary Municipal to Gary/Chicago International Airport Authority.

IT WAS MOVED AND SECONDED TO AUTHORIZE THE BOARD PRESIDENT TO EXECUTE A QUICK CLAIM DEED TO OFFICIALLY NAME THE AIRPORT GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY.

ROLL CALL

Mr. Wilkerson Aye Mr. Williams Aye
Attorney Collins Aye Mrs. Thorn Aye
Pastor Johnson Aye Mr. Bochnowski Aye

MOTION CARRIED.

➤ **Runway Expansion Project Update**

Scott Wheeler provided an update relating to the Runway Expansion Program. [See attached].

Scott recommended approval of the Reimbursement Agreement with CSX Transportation, Inc.

IT WAS MOVED AND SECONDED TO APPROVE THE CSX REIMBURSEMENT AGREEMENT.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mrs. Thorn	Aye
Mr. Bochnowski	Aye

MOTION CARRIED.

Scott recommended approval of PCM 001 (Project No. REP009) in an amount not-to-exceed \$200,000.00 to Indiana-American Water Company for changes in the construction estimate for the water main relocation.

IT WAS MOVED AND SECONDED TO APPROVE PCM 001 TO INDIANA-AMERICAN WATER CO. IN AN AMOUNT NOT-T0-EXCEED \$200,000.00.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mrs. Thorn	Aye
Mr. Bochnowski	Aye

MOTION CARRIED.

Scott recommended approval of CM #006 (Project No. REP002) in the amount of \$275,323.73. This modification balances final quantities for the project and would reduce the contract value.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mrs. Thorn	Aye
Mr. Bochnowski	Aye

MOTION CARRIED.**➤ Business Development Update**

Al Stanley presented the Terms and Conditions between GCIAA and East Lake Management and Development Corporation. He highlighted key points of the T&C noting that it was consistent with other similar tenants. Al explained three components of the T&C: 1. ground lease 2. hangar facility lease and 3. management agreement.

Al requested approval of the T&C and upon approval, Attorney Lyp to finalize a lease agreement to be brought before the board at the next meeting along with a fuel flowage policy.

IT WAS MOVED AND SECONDED TO APPROVE THE TERMS AND CONDITIONS BETWEEN GCIAA AND EAST LAKE MANAGEMENT DEVELOPMENT CORPORATION WITH FINALIZED LEASE AGREEMENT TO BE PRESENTED AT THE NEXT BOARD MEETING ALONG WITH A FUEL FLOWAGE POLICY.

Cornell expressed his understanding as the T&C outlined the forthcoming agreement whereby terms could be added/changed/deleted. He questioned if the Board was locked into the T&C as presented.

Al responded that he presented the agreed upon Terms & Conditions, which would form the basis of the lease agreement.

Patrick stated that he drafted the T&C in such a way that it “may form the basis of a final agreement” – “may result in the development of a long-term contractual relationship”. Further Patrick stated that the T&C was drafted to outline the parameters. **He wanted the record to reflect that the Terms and Conditions was not an agreement by the Airport Board** – but simply a tool to give the negotiating team some direction.

The vote was called.

ROLL CALL

Mr. Wilkerson Aye
Attorney Collins Aye
Pastor Johnson Aye
Mr. Williams Aye
Mrs. Thorn Aye
Mr. Bochnowski Aye

MOTION CARRIED.

Al Stanley gave some background relative to the public/private partnership (P3). He stated that the Board recently authorized an exploration of a P3 model, which would be suitable for GCA. The Board also authorized the creation of P3 Ad Hoc Committee. This committee was tasked with bringing a P3 model recommendation to the board within 60 days. In order to accomplish this the Ad Hoc Committee required some advice/guidance from various professionals as to the form/structure of P3 models. He presented three professional service contracts for approval: 1. Financial Advisory Services 2. Aviation Advisory Services and 3. Communications Advisory Services. Al highlighted the key points of each advisory. He added that these professional contracts were all 'at risk' and explained that meaning. Al requested approval of the three professional service agreements needed to assist the P3 Ad Hoc Committee and the Airport Board toward reaching its P3 goals.

Cornell thought that the Ad Hoc Committee would have a recommendation relative to the agreements. David replied that he Ad Hoc Committee had not reviewed the agreements. He added that there was clearly a consensus of the Committee that professional assistance was needed but specifics were not discussed. No recommendation could be made at this point. It was agreed to authorize Patrick to review the agreements.

➤ **Marketing and Communications Update**

James highlighted the following:

1. Full page Ads running in Sundays Times and the Post Tribune
2. P3 feedback available at GYY website
3. Social media fans
4. Rotating billboards
5. Current running radio spots
6. Conference attendance in Mesa, Arizona to meet with Allegiant's marketing team

FYI – Steve announced that a Job Fair was scheduled to be held Saturday, March 9th at the Genesis Center, in which the airport would participate.

He reminded the Board that the Mayor’s State of the City Address would be held tomorrow. Lastly, relative to the federal government sequester, Gary’s control tower could be shut down.

FINANCIAL REPORT:

Carolyn presented and requested approval of the Purchase Order Approval Lists and Register of Claims for all funds dated February 25, 2013. [See attached].

IT WAS MOVED AND SECONDED TO APPROVE THE PURCHASE ORDER APPROVAL LISTS AND REGISTER OF CLAIMS FOR ALL FUNDS DATED FEBRUARY 25, 2013.

Nikki had a question relative to the JClark Aviation Group invoice. She was concerned that the airport was paying above and beyond the monthly contract agreement and most of the overages pertained to the P3 - of which the City of Gary was to share the cost. She questioned why the airport was paying the entire cost. Discussion ensued relative to this with the decision being to include detailed reports along with billing in the future.

ROLL CALL

Mr. Wilkerson	No
Attorney Collins	Aye
Pastor Johnson	Pastor Johnson gone at this point
Mr. Williams	Aye
Mrs. Thorn	No
Mr. Bochnowski	Aye

MOTION CARRIED.

Mr. Wilkerson requested some information for the next board meeting: what the airport budgeted for attorney fees and what had been spent to date.

OLD BUSINESS:

None.

NEW BUSINESS:

David gave a brief update regarding the P3 Committee Meeting. He also stated that at the next meeting - structures of public/private partnerships that have worked in the United States and those models that have not worked would be the main topic of discussion. He noted that the P3 Committee would hold public meetings twice monthly starting at 10:00 a.m.

PUBLIC INPUT:

Jim Nowacki, 1st district, Gary. He noted that he has been attending airport board meetings for the past 8 years. He was very gratified to learn that JClark came to the very same conclusions that he brought to the board many times during the last 8 years. Meaning, there is a lack of local funding – slow growth – lack of investment – inability to maximize federal funding – lack of private investment – lack of public infrastructure. If the airport continues to do what it is doing then it is not going to work. He felt that the public/private partnership was the second worst thing that the airport could do. He was particularly concerned with the area around the airport (the TIF District). He noted that he was glad to see Mr. Higginbottom at the meeting and hearing of his investment in the airport. Mr. Nowacki did not feel that the proposed deal with Mr. Higginbottom's company was such a good deal. He felt the airport was not hard-nosed. Further, he felt that the airport should pay less attention to attracting art exhibits. He ended with the comment that in all that he heard at this meeting – not one word was mentioned about an airplane. Did we get one extra airplane to this airport? He felt that it was wasteful to hire new consultants and a wasteful use of legal fees. Businesses needed to be bought to the airport.

ADJOURNMENT:

The meeting was adjourned at 11:10 a.m.

MINUTES TRANSCRIBED BY D. SCOTT

File: REGMIN.FEBRUARY 25, 2013

Attachments:

1. Scott Wheeler's report dated February 25, 2013
2. Purchase Order Approval Lists/Register of Claims dated February 25, 2013

MINUTES APPROVED:

Nathaniel T. Williams, President GCIAA

