

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

CALL TO ORDER:

President Nathaniel Williams called the Regular Board Meeting to order at 10:50 a.m.

ROLL CALL:

Present: Silas Wilkerson, Attorney Collins, Pastor Johnson, Mr. Williams,
Mr. Amundson, Mrs. Thorn and Mr. Bochnowski.

Absent: All Present.

Executive Session Attendance: Silas Wilkerson, Attorney Collins, Pastor Johnson, Mr. Williams, Mr. Amundson, Mrs. Thorn and Mr. Bochnowski.

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 – PROJECT MANAGER
D. WHITEHEAD – GYY SECURITY
K. KURFMAN – GYY ACCOUNTING
J. WARD – GYY MARKETING
SCOTT WHEELER - AECOM
RICK CORNETT – MILHOUSE ENGINEERING (AECOM)
JOHN CLARK – JCLARK AVIATION GROUP
STEVE SANDEFUR - NGC
PAUL KARAS - GJC
NIQUILLE ALLEN – CITY OF GARY
B.R. LANE – CITY OF GARY
JIM NOWACKI - CITIZEN
MICHELLE QUINN – POST TRIBUNE
LU ANN FRANKLIN – THE TIMES
RUFUS PURNELL – LIGHTHOUSE MARKETING

FELICIA WALLACE – GARY SANITARY DISTRICT
GENE REINEKE – HAWTHORNE STRATEGY GROUP
TIM TOUHY – HAWTHORNE STRATEGY GROUP
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 MARCH 11, 2013.

ROLL CALL

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

MOTION CARRIED.

P3 AD HOC COMMITTEE REPORT:

David Bochnowski presented the P3 Ad Hoc Committee status report, which is a part of these minutes. [See attached].

Based on the status report, and a consensus of the Ad Hoc Committee, it was determined that there was a need for professional support from at least four support groups, therefore David recommended the following:

Mayer Brown (Bond Counsel), Hawthorne Group (development of overall communication strategies), JC Consulting Group (provide overall development & coordination of the P3 project) and a Financial Advisory Services firm.

Patrick stated that his direction from the board would be to bring proposed contracts/service agreements to the next board meeting for review/authorization. It was determined that a budget be designed to accompany this initiative. David stressed that the additional professional support would be hired on an “at risk basis” – meaning that they would not be paid unless they were successful. Nikki proposed that question that if contracts were to be drafted then at some point the companies in question had an idea of what they wanted to be paid. David replied that the board was not approving contracts at this point and that part of Nikki’s question would be answered at the next meeting.

IT WAS MOVED AND SECONDED TO AUTHORIZE PATRICK TO DRAFT SERVICE CONTRACTS FOR ADDITIONAL PROFESSIONAL SUPPORT FOR BOARD REVIEW/AUTHORIZATION AT THE NEXT BOARD MEETING.

ROLL CALL

Mr. Wilkerson	Aye
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Abstain
Mr. Amundson	Aye
Mrs. Thorn	No
Mr. Bochnowski	Abstain

MOTION CARRIED.

DIRECTOR’S REPORT:

Steve provided a brief update relative to the April 21, 2013 closing of the control tower at Gary Airport. He stated that because of sequestration, the FAA decided to close 149 contract towers throughout the United States. Closures start on April 7th and continue for a four-week period. He assured the board that the safety of the airport would not be compromised without controllers in the tower. He stressed that there were procedures in place for aircraft pilots to do their own sequencing/separation. Although he added that those procedures were not as efficient as could be done with air traffic controllers – therefore some delays should be expected. He noted that options were being explored relative to staffing the control tower.

Briefly, Steve reported on the Allegiant Conference he attended with Al Stanley and James Ward, which was held in Reno, Nevada. The highlight was the “report card” (as he called it) in which Allegiant shared their cost incurred. Steve had three recommendations relative to helping Allegiant remain at GYY:

1. Reducing ground handling and fuel costs associated with each Allegiant operation.
2. Taking better advantage of the mass market potential that exists in the airport catchment area. Steve felt conducting a “city pair analysis” between Florida and the catchment area was needed.
3. Investing marketing dollars in areas identified in the “city pair analysis”.

He noted that there was room for much improvement in order to keep Allegiant at GYY. Steve stressed that if Allegiant failed it would send out a signal that the airport did not need.

Steve apologized for the lateness of this request: 2013 salary increases for AECOM (the Program Manager). He stated that Scott Wheeler brought this request to him late in 2012, which was about the same time as the hunt for a new Financial Manager; therefore this item was put aside for him to address at a later date. AECOM’s contract called for a CPI increase or the standard amount of 4% (whichever is lower). The increase was specified for ten (10) people, which was within the CPI increase of 1.45%. He also requested that it be retroactive to January 2013.

Pastor Johnson commented that airport staff had not received a salary increase in years. He stressed that nobody seemed concerned with that reality. He noted that he realized there was a different skill set where contractors were concerned. Since the economy was causing everyone to tighten his or her belt – he did not understand why AECOM could not tighten down as well. He added that he realized that one thing had nothing to do with the other but consideration should be taken relative to the situation at the airport. Again, he stressed that nobody at the airport – not one employee had received an increase. He felt that big companies should have some heart for the economic situation in this area.

Silas questioned if this was part of the contract - which Steve replied that their contract allowed them to request increases. Silas said “so its not automatic”. Steve said “no”.

Ross commented on the great job done by AECOM – Scott in particular – but felt the big picture should be taken into consideration. He appreciated Pastor’s comment regarding the airports emphasis on trying to keep costs down pertaining to airport employee increases – consistent with that he could not vote in favor of Steve’s request.

The Board President called for the motion.

IT WAS MOVED AND SECONDED TO APPROVE THE 2013 INCREASES FOR AECOM.

ROLL CALL

Mr. Wilkerson	No
Attorney Collins	No
Pastor Johnson	No
Mr. Williams	No
Mr. Amundson	No
Mrs. Thorn	Abstain
Mr. Bochnowski	No

MOTION DID NOT CARRY.

➤ **Attorney Status Report**

Patrick provided information relative to finalization of a lease with Yellow Transport (now known as YRC) for property they lease (known as the Beemsterboer property), which the airport acquired several years ago. It was part of the overall relocation from the Zuleski 84 acre parcel. Their lease expired in December 2012 – and was extended. The new lease has been drafted and is in the process of finalization. He continued to talk about some improvements to be made to the property. A finalized lease should be ready for presentation at the next board meeting. Patrick gave further details on the cost of capital improvements, which would be the responsibility of the airport.

Patrick stated he and Steve Landry appeared before the Lake County Commissioners relative to the bridge over the railroad tracks. This project was nearing completion and under Indiana Law there was a process whereby both the county and the city enter into an agreement pertaining to the inspection/maintenance/upkeep of the bridge. This agreement should be approved at the next Lake County Commissioners meeting and then Patrick and Steve would go to the City of Gary Board of Works to seek their approval.

Patrick stated that the airport was asked to enter some comments for an Air Quality Permit for a business near the airport. Those comments would be prepared and filed as requested. Also, relative to the Sage Popovich request to place a sign/awning on the building, which according to their agreement, the airport has to approve, Patrick stated that he just received the request and would disseminate it to the board for discussion/approval at the next meeting.

Relative to completion of the bridge, Pastor Johnson commented on naming of the bridge. He strongly suggested naming the bridge after Quentin P. Smith. Mr. Smith was an outstanding citizen of Gary. He served on many boards throughout the city, principal of elementary, middle and high schools and was an original Tuskegee Airmen.

➤ **Runway Expansion Project Update**

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

Scott recommended approval of CM #001 (Contract REP006) for quantity adjustments for nine (9) pay items for a total contract increase by \$10,434.55.

IT WAS MOVED AND SECONDED TO APPROVE CM #001 IN THE AMOUNT OF \$10,434.55.

ROLL CALL

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

MOTION CARRIED.

Scott recommended approval of CM #012 (Contract REP006) for modifications to curb & gutter on first 4 inches of asphalt in a net change of \$4,019.75.

IT WAS MOVED AND SECONDED TO APPROVE CM #012 IN THE AMOUNT OF \$4,019.75.

ROLL CALL

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

MOTION CARRIED.

➤ **Marketing & Communications Update**

James highlighted the following:

1. Two rotating billboards, one permanent billboard and 2 on property
2. Clear Channel radio spots running. WJOB club membership
3. Growing social media
4. Visitors to GYY website
5. Upcoming promotions with Allegiant

FINANCIAL REPORT:

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

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

ROLL CALL

Mr. Wilkerson	Abstain
Attorney Collins	Aye
Pastor Johnson	Aye
Mr. Williams	Aye
Mr. Amundson	Aye
Mrs. Thorn	Aye
Mr. Bochnowski	Gone at this point

MOTION CARRIED.

OLD BUSINESS:

None.

NEW BUSINESS:

IT WAS MOVED AND SECONDED TO AUTHORIZE ATTORNEY LYP TO MOVE FORWARD ON A VACATION POLICY ISSUE.

ROLL CALL

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

MOTION NOT CARRIED.

IT WAS MOVED AND SECONDED TO IMMEDIATELY BEGIN SEARCH FOR EXECUTIVE DIRECTOR.

ROLL CALL

Mr. Wilkerson	Aye	Mr. Williams	Aye
Attorney Collins	Aye	Mr. Amundson	Aye
Pastor Johnson	Aye	Mrs. Thorn	Aye
		Mr. Bochnowski	Gone at this point

MOTION CARRIED.

➤ Agreements with Summit, Inc.

As part of the bridge & expansion project, Patrick stated that Chicago Avenue would be lifted about 5-6 feet, which would directly impact the Western Scrap business. He and Scott met with the owner and his lawyer to discuss alternatives. The initial plan was not to impact his business but roadwork needed to be done. Patrick explained the roadwork process as well as alternative sites for the business. Certain logistics had to be addressed. The owner and his lawyer were satisfied with the proposal presented to them. Patrick presented three (3) documents for approval in order to accomplish/finalize this project: Memorandum of Understanding, Temporary Construction Easement and Temporary Access easement. The owner’s lawyer was out of town this week – but Patrick was in contact with him and he was satisfied with the documents. Patrick stated that he preferred not to do this – but if the board was comfortable – he requested they approve the three documents subject to final legal review and authorize Board President to sign if the documents were finalized before the next board meeting.

IT WAS MOVED AND SECONDED APPROVE THE AGREEMENTS SUBJECT TO FINAL ATTORNEY REVIEW AND TO AUTHORIZE THE BOARD PRESIDENT TO SIGN DOCUMENTS.

ROLL CALL

Mr. Wilkerson	Abstain
Attorney Collins	Aye
Pastor Johnson	Abstain
Mr. Williams	Aye
Mr. Amundson	Aye
Mrs. Thorn	Aye
Mr. Bochnowski	Gone at this point

MOTION CARRIED.

PUBLIC INPUT:

Jim Nowacki, 1st District Gary, begin his comments regarding the P3. He attended all the P3 meetings and the one thing he was most interested in was the ‘impending fate’. At the last meeting Mayor Freeman-Wilson, all but instructed, the board that public/private partnership was something they wanted to do and they fell in line. Another thing discussed at the P3 meeting was hiring of consultants. These consultants would be working “at risk”. No, they won’t be working “at risk”. Everyone understands that any billing they present – would be paid. He compared the board to being “an Executor of an Estate”. His example: let’s say you have some property that you need to sale – so you hire all your friends (consultants) and tell them that they will only get paid if the property is sold. They will take whatever offer they receive because there are no parameters established.

All the consultants get their cut – the citizens get nothing. But they are “at risk” – BOLOGNY. This is ‘impending fate’ – similar to the fate of the baseball stadium. It costs 55 Million Dollars – all the consultants got paid – bond counsel got paid. The citizens of Gary make nothing off of that 55 Million – nothing. All the rent goes right back to the lessee. How about the airport markets their 40% hangar vacancy. He stressed that this was probably the 100th meeting he attended and never once has anyone mentioned bringing airplanes here. Everyone talks about everything except bringing airplanes to the airport. “Let’s not try to fool anyone, he said, “we know what success is going to be at this airport”. Thank you.

ADJOURNMENT:

The meeting was adjourned at 11:50 a.m.

MINUTES TRANSCRIBED BY D. SCOTT

File: REGMIN.MARCH 25, 2013

Attachments:

1. Status Report – P3 Ad Hoc Committee Activities dated March 25, 2013
2. Scott Wheeler’s Report dated March 25, 2013
3. Purchase Order Approval Lists/Register of Claims dated March 25, 2013

MINUTES APPROVED:

Nathaniel T. Williams, President GCIAA