

METROPOLITAN AIRPORT AUTHORITY OF ROCK ISLAND COUNTY, ILLINOIS
MINUTES
BOARD OF COMMISSIONERS
June 23, 2020

The Board of Commissioners of the Metropolitan Airport Authority of Rock Island County, Illinois, held its rescheduled monthly meeting by virtual media on Tuesday, June 23, 2020 pursuant to bylaws and meeting notice previously posted. Pursuant to Governor Pritzker's Executive Order 2020-07, there was a modification to the provisions of the Illinois Open Meetings Act requiring in-person attendance by members of a public body. As a result, members of the Board of Commissioners of the Metropolitan Airport Authority of Rock Island County, Illinois participated in the meeting through a virtual/telephonic or video meeting platform.

APPROVED BY
Board of Commissioners
Date 7-21-20

Commissioners

PRESENT: Richard John, Jr., John McGregor, Jodi Fisk,
James Jannes, Kurt Donnelly, Jennifer Radloff, John Malvik

ABSENT: Richard Work

Others Present

Benjamin Leischner, Executive Director
Angela Burch, Director of Finance
Jo Johnson-Meineke, Dir of HR & Risk Mgmt.
Ashleigh Johnston, PR & Marketing Mgr.
Chere Steiner, Executive Assistant
Joseph Goetz, Operations Supervisor
Jeff Swan, Public Safety Manager

Marlin Jackson, Facilities Manager
Betsy Kaiser, Accountant
Roger Strandlund, Califf & Harper PC
Michelle Krueger, Califf & Harper PC
Robert Connelly, Dispatch/Argus
Jana Brau, Paradies
Michael Witiw

Chairman Malvik called the meeting to order at 8:00 a.m.

1. Motion Commissioner Jannes, second by John, for the Minutes of the monthly board meeting and executive session held on May 19, 2020 to be approved. Motion carried by unanimous verbal vote.
2. There were no petitions or communications to the Board.
3. Benjamin Leischner presented the Director's Update, noting the unusual operating circumstances of the past few months and a brief overview of the FY 2021 budget prepared in a time of uncertainty across the industry. A copy of the document was placed on file.
4. Report of Officers and Standing Committees:
 - a. Angela Burch, Director of Finance, reviewed the Treasurer's Report for May 2020, noting there were three check runs instead of two. Overall cash was down \$886,000 but while the unrestricted goal is \$12 million, there is currently \$19 million on hand which is greater than the budget. The position is very good and the year should end in good shape. Motion Commissioner Donnelly, second by Jannes for the Treasurer's Report to be approved. Motion carried by unanimous verbal vote.

b. and c. The May 2020 Metropolitan Airport Authority Financial Statements and LLC Financial and Activity Statements were placed on file. Ms. Burch stated net income was positive \$437,000. There was a \$570,000 loss for May and June will also show a loss, so there could be a loss for the fiscal year. The \$1.4 million grant request is not reflected and will show later as a receivable if approved. Operating expenses for May were flat.

The LLC has a year-to-date loss of \$12,000. More fuel was sold in May and LLC employees were kept busy doing seasonal work that was reimbursed by MAA. A payroll stabilization grant was requested in the amount of \$430,000.

d. The Airport Activity Summary for May 2020 was presented. Mr. Leischner reported total passengers were down 89% which is in line with other airports. Travel was up the last part of the month and the same is expected for June. Delta's August MSP schedule is up 65% from the prior year. Allegiant had no cancellations in June. The report was placed on file.

e. Mr. Leischner reviewed the Airport projects and construction report. Rehab Airfield Lighting Phases 1 and 2 are complete and being demobilized. NW Service Road Phase 2 is complete. Master Plan Update Phase 2 is moving forward, awaiting FAA comments that drives next year's work as there's a tight timeline to shorten Runway 523. Runway 27 RSA Grading and Drainage has closed the primary runway to take the creek underground using box culverts. The report was placed on file.

f. The reports of bills paid in May was presented. Chairman Malvik stated the bills were approved by either the Board, Purchasing Committee or are under the dollar limit as established in the Airport Authority's Purchasing Policy. The report was placed on file.

5. Motion Commissioner Jannes* second by Fisk to approve the Ordinance revising the Fiscal Year 2020 budget as discussed by the Internal Affairs Committee on June 19. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.

6. Chairman Malvik appointed Commissioners Fisk, Donnelly and Radloff serve as the Nominating Committee for the slate of officers to be approved at the annual meeting in July. The appointment was accepted by each Commissioner named above.

7. Ashleigh Johnston, PR and Marketing Manager, provided a memo and exhibits regarding initiatives to modernize the Airport's marketing plan post-COVID19, including an update on the new collaboration with Mindfire Communications to rebrand and overhaul the marketing focus. A survey is being distributed to 14,000 email contacts to determine who our passengers are, why they choose MLI and what their perceptions of the Airport are. There will be a website rebuild and logo change with emphasis on maintaining media interest and making the best use of marketing funds.

8. Jo Johnson-Meineke, Director of HR and Risk Management, outlined the FY 2021 insurance renewals as summarized in a memo to Commissioners. The overall increase is 8.9% over the last fiscal year with a 44% increase in Property coverage due to MLI's storm

related claim in 2018 and 14 natural disasters causing losses around the world. The Crime policy increased 13% and Airport Liability, shared across the industry, is up 9% after higher aviation claims in recent years. Further explanation was provided in a letter from Mike Alesia from Alliant Insurance Services. The cost is anticipated in the new budget. Chairman Malvik noted that premiums for other entities were increasing at far higher rates than 8.9% and congratulated staff on achieving this outcome.

9. Angela Burch requested approval of a three-year agreement with Bohnsack & Frommelt to provide financial audit services in the total amount of \$92,700 as detailed in a memo to Commissioners and recommended by the Internal Affairs Committee on June 19. An RFP was issued. Bohnsack & Frommelt is a local firm with extensive government experience and will provide more on-site partnering and field work. Motion Commissioner Fisk* second by Donnelly to approve the agreement. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.
10. Benjamin Leischner requested approval of a three-year agreement with Twin State Technical Services, including a year-one service directive, in the not-to-exceed amount of \$120,000 as detailed in a memo to Commissioners and recommended by the Internal Affairs Committee on June 19. An RFP was issued. A third party was used to assist with the solicitation and evaluate the responses. The transition will take place on July 1. Motion Commissioner Donnelly* second by Fisk to approve the agreement. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.
11. Mr. Leischner requested approval of service directive #1 with Alliance of Minneapolis to provide a comprehensive terminal assessment in the amount of \$84,000 as detailed in a memo to Commissioners. The reduced-cost approach includes the components that will identify deficiencies and provide immediate benefit to the airport. This phase is expected to be completed in 60-90 days. Motion Commissioner Jannes* second Radloff to approve the service directive. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.
12. Mr. Leischner requested approval to purchase a used sport utility vehicle for the Operations Department in the not-to-exceed amount of \$28,000. The newly reorganized department has two employees on duty during daily work hours. Operations vehicles carry large amounts of various equipment or supplies, making it inefficient for two people to share one vehicle for different purposes. Motion Commissioner Donnelly* second John to approve the purchase. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.

Before moving on to Closed Session, Chairman Malvik thanked Commissioners and staff for their hard work during his time as Chairman of the Board. He indicated his proudest accomplishment was hiring Mr. Leischner as Executive Director and expressed pride in the executive staff as well as other managers. There's been great leadership during the pandemic. "No one is greater than the game itself."

13. At 9:02 a.m., Chairman Malvik invited board members to adjourn into Executive Session for the purpose of discussing personnel, collective bargaining, property acquisition, lease pricing, security and pending or imminent litigation under the legal finding/factual basis supporting the application of exceptions to the Open Meetings Act; 5 ILCS 120/2(c) (1, 2,

5, 6, 8 and 11). Motion Commissioner Fisk, second by Radloff to conduct the meeting in Executive Session. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.

Attending the closed virtual meeting were the Board Commissioners, Benjamin Leischner, Angela Burch, Jo Johnson-Meineke, Ashleigh Johnston, Chere Steiner, Roger Strandlund and Michelle Krueger.

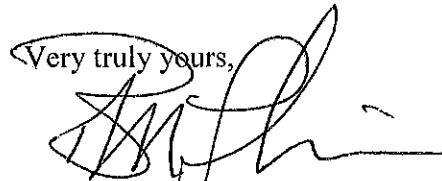
At 9:30 a.m., airport staff was excused from the meeting with the exception of Mr. Leischner.

At 9:40 a.m., Motion Commissioner Jannes, second by John to adjourn back into regular session. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.

No formal action was taken.

14. Motion Commissioner John, second by Donnelly to approve the payroll memorandum for Executive Director Leischner. Roll call: Ayes – Commissioners John, McGregor, Fisk, Jannes, Donnelly, Radloff, Malvik. Nays – none. Absent – Work. Motion carried.

Being no further business, motion Commissioner John, second by Fisk, to adjourn the meeting at 9:42 a.m. Motion carried unanimously and the meeting was concluded.

Very truly yours,


Benjamin Leischner, Assistant Secretary
For: Richard Work, Secretary

**Motion to adopt the Airport staff recommendation as findings, with such recommendation being approved. As part of the Motion, the Airport Executive Director is authorized to execute all documents related to the approved transaction subject to compliance with all applicable regulatory authority and approval of Airport legal counsel.*