

Mt. Vernon Airport Authority
Regular Meeting of the Board of Commissioners
Held December 14, 2010, at 5:00 PM

Present: Michael Ancona	Chairman
Greg Martin	Vice Chairman
Paul Dickerson	Secretary
Gary Chesney	Treasurer

Absent: Joe Bob Pierce Commissioner

Staff: Chris Collins
Mary Barnett-Johnson

Guests: See Attached

PUBLIC COMMENTS

Don Lewis stated that it has been his honor to be the airport's webmaster for the last seven years. He has reviewed the new website and is impressed with the new format. He remains ready to serve when needed.

Don Davis remarked that he is honored to be a part of everything occurring at the airport.

REPORTS

Minutes

Minutes were presented for the November 9, Meeting for approval. There being no changes to the minutes, motion was made and seconded to approve the minutes as presented. Upon roll call vote, all were in favor.

Treasurers' Reports

There being no concerns with the Treasurer's Reports, motion was made and seconded to approve the Treasurer's Reports as presented. Upon roll call vote, all were in favor of the motion.

Bills for Approval

There being no questions or concerns with the Bills for Approval, motion was made and seconded to approve the bills as presented. Upon roll call vote, all were in favor.

CORRESPONDENCE

Since there were no items of Correspondence, Chairman Ancona forward with the meeting.

OLD BUSINESS

New Hangar

Mr. Collins provided an update on the construction of the New Community Hangar. Although weather provided some delay, the building is now under roof. Contractors have been busy making preparations to install the large sliding door. Mr. Collins presented a Change Order for approval. He noted that he asked the plumbing contractor to rough in the elements necessary for two showers in the bathroom area prior to the hangar floor being poured. Mr. Collins stated that since the airport has become a popular place for events and aviation conventions such as the Midwest LSA Expo, KR National Gathering, Ercoupe Owners Club of America's National Fly-In and Convention, & etc., additional showers are a must. Mr. Collins asked the Commissioners to approve the Change Order in the amount of \$1035 with Black & Son's Construction. Motion was made by Commissioner Chesney and seconded by Commissioner Dickerson to approve the Change Order as presented. Upon roll call vote, all were in favor.

Airport Website

Mr. Collins described the new airport website that is now live on the World Wide Web. He provided a snapshot of the content including the Virtual Hall of Honor. Approval was granted at the November meeting for an expenditure of \$2000 for the website. Mr. Collins noted that the site requires another \$850 investment, due in part to his error in interpreting the estimate. Total cost of the new site is \$2850. Motion was made by Commissioner Chesney and seconded by Commissioner Dickerson to approve the additional \$850 payable to webmaster Perry Hartman. Upon roll call vote, all were in favor.

NEW BUSINESS

Health Insurance Renewal

Mr. Collins noted that the airport is facing a 23.6% premium increase if it stays with its current provider Blue Cross/Blue Shield. Mr. Collins stated that there are some options, but none of them are worth celebrating due to very high deductibles or costly out of pocket thresholds. Mr. Collins noted that only the Health Alliance option is worth looking into should the Commissioners want to change providers. The plan is similar to the airport's current BC/BC plan. However, the airport's agent stated that she has offered the plan to three other small groups like the airport's and in all three cases, once the applications were received and evaluated, the premiums were up-rated (well above the quoted premium, some even maxed out 1.67%). Health Alliance's network is prevalent here in Jefferson County which is a plus. Mr. Collins recommended renewal with BC/BS and completing the application process with Health Alliance. Should the Health Alliance premiums be less than the BC/BS renewal, then changing companies would be in order. Motion was made by Commissioner Martin and seconded by Commissioner Chesney to renew with BC/BS but explore changing to Health Alliance should the actual premiums be cheaper. Upon roll call vote, all were in favor.

Energy Proposal

Chairman Ancona welcomed Mr. Jim Mueller, Vice President, and Mr. Wayne Hicks, Local Representative, of Global Energy Services, LLC. (GES). GES is a consulting firm that specializes in finding cheaper electricity rates for their customers by brokering contracts on the deregulated open market. Mr. Mueller contacted Mr. Collins last week and was provided copies of the airport's utility bills so that a proposal could be constructed and presented at the January Meeting. Mr. Mueller began by outlining how his company came into existence and then described why he felt he could help the airport. He stated that procuring a contract on the open market without a consultant is very risky for entities not involved in the utility supply or transmission business. Mr. Mueller's knowledge of the business combined with his contacts can save time and money for his customers. He stressed that his company can negotiate a better rate from any of the companies than the airport could do on its own. Mr. Mueller presented one quotation from Ameren Energy Marketing (AEM), the supply subsidiary of AmerenIP. He stated that quotations were solicited from several companies, but only AEM provided a quote due to the airport's small demand. Mr. Mueller noted that the airport's annual usage of approximately 350,000 kWhrs was significantly less than the 500,000 benchmark most companies desire. The AEM proposal as presented would save the airport approximately \$5400 annually, or 23% per year. The airport is currently paying a rate of \$0.067 per kWhr. The proposed rate is \$0.0522 per kWhr. Discussion ensued about how GES is paid and the language in the proposal. GES's fees are built into the quoted price. The price is all inclusive with regard to electricity supply. The MVAA would still receive a bill from AmerenIP for each account with regard to transmission, maintenance, line losses, tariffs, rental of equipment, and other overhead that already appears on the AmerenIP bill. A major focus point of the discussion centered upon demand penalty specifications. Mr. Mueller noted that the AEM contract specifies a +/- 10% threshold per account, per month, that would have to be met in order to secure the \$0.0522 per kWhr rate. The benchmark would be set using the monthly kWhrs supplied by the MVAA (November 2009 – November 2010). When asked about the recommended timeline of the proposed contract, Mr. Mueller recommended three years due to rates being at a low point. He noted that the airport should lock in savings now as he believes rates will climb as the economy improves. Traditionally, electric rates are the last to increase when other commodities increase. They are the last to decrease when others decrease. Discussion ensued again with the Commissioners reaching a conclusion to table the proposal. Commissioner Chesney and Mr. Collins agreed to study the proposal, as well as other alternatives, and report back to the board.

OTHER BUSINESS

Mr. Collins noted that the carburetor on the Jet A Mobile Fueler has been overhauled and the engine is running much better. The serial number on the truck's carburetor was misread by two mechanics resulting in all parties believing the situation was much worse than reality. When the OEM was consulted a second time, the error was identified, and an overhaul kit purchased and overnighted to the airport. The problem was corrected over the course of one weekend.

EXECUTIVE SESSION

There being no items to discuss in Executive Session, Chairman Ancona moved forward with the meeting.

There being no further business to discuss under Other Business, no further items for discussion on the Agenda, and no items to be taken from Executive Session, motion was made and seconded to adjourn the meeting. Upon roll call vote, all were in favor and the meeting was adjourned.