

Mt. Vernon Airport Authority
Regular Meeting of the Board of Commissioners
Held August 14, 2012 at 6:00 PM

Present: Greg Martin	Chairman
Michael Ancona	Vice Chairman
Galen Monk	Secretary
Gary Chesney	Treasurer
Joe Bob Pierce	Commissioner

Staff: Chris Collins
Mary Barnett-Johnson

Guests: See Attached

PUBLIC COMMENTS

There being none, Chairman Martin moved forward with the meeting.

REPORTS

Minutes

Minutes were presented for the July 10, 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 was no Treasurer's Report presented.

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

There being none, Chairman Martin moved forward with the Agenda

City Branding Study

Chairman Martin moved this New Business Line Item forward on the Agenda and introduced Mt. Vernon City Councilman Todd Piper. Mr. Piper noted that he was at the airport as a member of the Brand Development Committee and briefed the Commissioners on the recently completed Branding Study. Mr. Piper stated that 70% of all of the money spent by consumers occurs after 6:00 p.m. There are three places people spend their time: 1) home 2) work, and 3) after hours hang-outs (places to eat, shop, and or relax). The 3) aspect is the target for consumer spending. A community must also differentiate itself from its competition. It must find a way to make people want to visit and spend their money. The Brand Committee focused on several positives to create Mt. Vernon's new brand. Mt. Vernon will soon become the Midwest's "Festival Arts City"

and a new slogan titled “Creativity Redefined” will accompany all City nomenclature, signs, and marketing for the next 20 years. Mr. Piper desires that the airport be on board with this new initiative. Mr. Collins noted that he was involved with the initiative up until the Branding Boot Camp. The events held at the airport are exactly in line with one of the aspects of the initiative – hosting events that draw people from outside the area to Mt. Vernon.

OLD BUSINESS

Innovation Park

Mr. Collins provided an update on the project:

IDOT/IDA: He submitted the FAA 7460 Notice of Construction or Alteration Form to IDOT/IDA on July 31, 2012. This is the application that triggers the FAA Airspace Determination. Once the FAA Airspace Determination reveals no impacts, and the Environmental Assessment Categorical Exclusion (CATEX) is completed, construction can begin. Mr. Collins explained the FAA Airspace Determination process normally takes approximately 60 days.

ENGINEERING: Hanson’s Reconstruct Southwest Ramp Preliminary Layout drawing was presented. This drawing accompanied the FAA 7460 Notice of Construction or Alteration Form. Mr. Collins noted the location of the hangar in regard to the real estate to the southwest. This placement reflects the decision the Commissioners made at previous meetings to lock in expansion space for Eric Evans Aviation to the southwest. Eric’s expansion is shown in dashed lines and if it takes place will allow a total hangar footprint of 90’ deep by 200’ wide (18,000 square feet). Mr. Collins discussed the office extension shown on the automotive parking lot side. The placement of the hangar also allows for a nice automotive parking lot.

Mr. Collins explained the dashed area northeast of Eric’s hangar depicts a 100’ by 100’ hangar with expansion out to a total footprint of 100’ deep by 300’ wide (30,000 square feet). This is the total building size required by another tenant Mr. Collins is attempting to lure to the airport. Proposed aircraft ramp and vehicular parking lot extensions are shown for this complex as well. Two very large projects will need to be completed prior to building such a facility for the proposed tenant or any other tenant requiring a building northeast of Eric as shown: relocation of the sanitary sewer lift station and removal of the older section of the MVAA Maintenance building. Mr. Collins noted future plans for the MVAA Maintenance Building include a new wing placed perpendicular to the remaining building. The new MVAA Maintenance Complex will blend in with the Innovation Park concept, but more importantly, allows for more than 56,000 (560 wide by 100 depth) square feet of marketable building space!

Mr. Collins noted Hanson’s Rodger Anderson is working on the CATEX and believes he will have it ready to submit to Terry Schaddel at IDOT/IDA in the next few weeks. Terry and Rodger plan to visit the airport to discuss this project and others on Wednesday, August 29, 2012.

HANGAR: Construction Manager Carey Lipps and Eric Evans met a few weeks ago and developed a conceptual drawing for the proposed hangar. The drawing shows an 80' wide by 90' depth hangar. The eave height is 24' with a maximum height of 27'3". The hangar includes an aircraft door that is 60' wide by 20' height (18' clear) opening. Mr. Collins stated that he specified the door so that Cessna Citation Jets up to the Citation 650 can be stored inside. The drawing also includes the 51' wide by 25' depth office extension.

The building shown represents the maximum desirable product. Mr. Collins explained that he was encouraged by Carey Lipps to put the building out for bid to see if this building could be built inside the airport's budget limits. If not, the airport's options would be to move the office extension indoors to a mezzanine section, or the hangar foot print could be reduced. Mr. Collins noted the process worked for the team on the Community Hangar, so maybe the team can work the magic again.

Mr. Collins and Jeff Shaw from Lipps Construction developed a Specification for the Architect/Structural Engineer portion of the project. Request for Proposals were advertised in the local newspaper with a deadline of 1:00 p.m. on today's date. Proposals were received by Brian Edmison Architects and Baysinger Design Group. Mr. Collins explained that Brian Edmison was a good fit to the team on the Community Hangar Project and did a great job. Baysinger has completed some large projects at the Williamson County Airport and their credentials were impeccable. Mr. Collins recommended approving Brian Edmison's proposal based on the Community Hangar Project, his willingness to work on the team, and his being based in Mt. Vernon. Motion was made by Commissioner Ancona and seconded by Commissioner Chesney to approved the proposal submitted by Brian Edmison. The Commissioners directed Mr. Collins to report back to them with a contract from Brian Edmison and to move forward with the design.

FINANCING Mr. Collins stated that he has been working with Joe Gilosci at Peoples National Bank. Joe has the airport's financial records and all technical information regarding the project has been supplied. Mr. Collins noted that he has not gotten very far with the USDA Loan Application due to time constraints. He recommended working on the USDA Loan Application in case the bank plan does not materialize.

Events

Mr. Collins noted the airport is hosting the Popular Rotorcraft Association, St. Louis Chapter #35 Fly-In over the weekend of August 26-28, 2012. This will be the second year for this event that features gyroplanes and small helicopters. Participants were few last year due to the change of venue and lack of marketing/promotion. Mr. Collins expects much more participants this year as marketing/promotion has been addressed and those that came last year have bragged about the facility, hospitality industry, and the friendliness of the team.

Mr. Collins reminded the Commissioners that the 4th Annual Plane & Pilot Midwest LSA Expo is less than one month away. The Flightline looks fantastic with almost all spaces filled. There are at least three new exhibitors, including some of the smaller, more

affordable offerings that have eluded the show's first three years. The Wicks Aircraft & Motorsports Exhibitor Hall is coming along as well. Commissioner Monk created an advanced registration area on the show website and attendees from across the Midwest and as far away as California have already registered. There is much work to be done, but Mr. Collins is confident everything will gel up nicely.

NEW BUSINESS

City Branding Study

Chairman Martin moved this item forward on the Agenda.

2012/2013 Annual Tax Levy Ordinance #2012-04A

Mr. Collins explained that although the tax levy ordinance was passed at the July Special Meeting, he feels he must bring it up again. When filing the Ordinance passed on July 17, 2012, he discovered the airport could open itself up to some trouble if the right person wanted to press an issue. The issue is that he did not wait for the Certified Extension amount to be published in order to calculate the new tax levy. Mr. Collins mistakenly assumed that the county is only going to give the airport what the CPI, EAV, and other factors allow, so why wait for the Certified Extension amount? Mr. Collins calculated the new levy based on the non-certified amount from last year's levy request. Brenda at the County Clerk's office explained that although the airport was not asking for more than 105% over last year's levy, the fallacy is that if and when the Certified Extension amount is published, and it is less than asked for in the previous year, the new levy request will most likely be more than 105%. If a district asks for more than 105%, then a Truth in Taxation Hearing is required. Brenda at the County Clerk's Office seemed certain that the Certified Extension amount would be far less than the previous year's levy request, and this has been the trend over the last three years – meaning the airport would be over the 105% if left the way filed on July 20, 2012. Mr. Collins received the Certified Extension early last week and it was just under \$3000 smaller than requested the previous year. Mr. Collins noted that the only way to do things correctly is to recalculate and pass a new Tax Levy. Mr. Collins presented the 2012/2013 Annual Tax Levy Ordinance #2012-04A in the amount of \$114,731. Motion was made by Commissioner Pierce and seconded by Commissioner Monk to adopt 2012/2013 Annual Tax Levy Ordinance #2012-04A. Upon roll call vote, all were in favor.

Prevailing Wage Ordinance 2012-05

Mr. Collins presented Prevailing Wage Ordinance 2012-05 for consideration and approval. Motion was made by Commissioner Pierce and seconded by Commissioner Chesney to approve the annual prevailing wage ordinance. Upon roll call vote, all were in favor.

Energy Program

Mr. Collins stated that Commissioner Chesney has been asking about the program the airport has with Global Energy Services and Ameren Energy Marketing. Shortly after the July Meeting, Mr. Collins looked into the program and discovered a few issues. First, the Koziara Terminal account, the airport's largest usage account, is not represented. Second, the bills from the transmission company, Ameren, were now very confusing. A

telephone call to Wayne Hicks, the airport's Global Energy Services Representative, revealed many things, but the most important led to an alternative proposal with another energy supply company, Direct Energy Business. After discovering there were no fees for early termination with the current energy supplier, Mr. Collins stated that he contacted several board members for approval to switch to Direct Energy Business and to lock in the savings on that date. The airport's new three year rate is \$0.05337 per Kwh. Looking at things over the next 18 months (the time left on the existing contract), the new contract will cost the airport an extra \$261. However, the Koziara Terminal will now be covered so Mr. Collins believes this amount will be saved in the first month or two. Mr. Hicks' numbers indicate a total savings of \$7804 (10.31%) over the three year period! Mr. Collins asked for official approval of the contract with Direct Energy Business. Motion was made by Commissioner Chesney and seconded by Commissioner Martin to approve the contract with Direct Energy Business. Upon roll call vote, all were in favor.

Insurance Proposal

Mr. Collins stated the employees have been approached by representatives of secondary insurance specialty company Aflac. Aflac wants to offer the airport's employees several different policies including accident exposure, cancer, and term life. The program works through an after tax payroll deduction from each check. Aflac needs three of the airport's five employees signed on to form the small group. Mr. Collins noted that although the premium amounts will be deducted from each check, he informed the representative that the situation must still be brought before the Board for approval (Aflac would appear in the Annual Financial Statement). It will also be more work for Mary. Mr. Collins encouraged the employees to shop around too. Discussion ensued with two Commissioners indicating that they held Aflac policies and were very happy with the program. Motion was made by Commissioner Ancona and seconded by Commissioner Chesney to approve the Aflac small group program, assuming three employees desire a program.

OTHER BUSINESS

Mr. Collins noted that he scheduled an Executive Session to discuss personnel. He then asked the Commissioners if they were in favor of the proposed raises for the three employees that were eligible. Two of the employees have not had an increase in three years; the other just completed his first full year. Mr. Collins reminded the Commissioners that the raises are covered in the budget. Mr. Collins stated that the matter had to be voted on after a return to open session, so if the Commissioners were in agreement with the plans specified in his letter, an Executive Session would not be needed. Discussion ensued and the Commissioners agreed with Mr. Collins to extend raises to Administrative Assistant Mary Barnett –Johnson, Maintenance Assistant Larry Hughes, and Security Guard Ted Smith.

Mr. Collins thanked everyone who assisted with the Airlift of the 33rd Battalion of the 130th Infantry on Thursday, July 26, 2012. Seven C-130 Hercules Aircraft; four operated by 169th Airlift Squadron based at Peoria, Illinois, two from the 109th Airlift Squadron based at Minneapolis, Minnesota, and one from the 130th Airlift Squadron based at Charleston, West Virginia, flew 419 Illinois National Guardsman and their gear back

from Camp Ripley, Minnesota. Mr. Collins stated that the day would not have been possible without help from the board members, employees, and volunteers.

Mr. Collins noted that Ford's Plumbing spent all day Friday reconstructing the floor drains in the dishwashing area of the kitchen. He stated the day the Commissioners were fearing appeared last Sunday when the drains no longer could be augured clean. After jack-hammering the floor and digging, the old cast iron pipes under the dishwasher and garbage disposal, as well as the main clean outs, were discovered to be deteriorated so badly that waste was simply running into the gravel base under the concrete. Luckily, the main line leading from the dishwasher area is still in good condition thanks to the Hydra Mole Preventative Maintenance Program. Mr. Collins has a baseline video showing the piping is clear from the middle clean out in the kitchen to the grease trap outside. Ford's Plumbing returned on Monday to reconstruct the concrete floor. The airport will need to schedule a tile installer to re-install the floor tile once the concrete cures.

Mr. Collins provided an update on the Koziara Terminal Bathroom Project. Wielt Mechanical, Countertop Creations, and Robert Rapp teamed up to complete their work in the Men's bathroom yesterday. Next Monday, they will return to complete the project in the Women's bathroom. Discussion ensued, and all agreed it was great to have more than one faucet working in the men's bathroom!

Mr. Collins noted that the Heroes Community Hangar (Corporate Hangar) has a new aircraft door. Company Representatives from Schweiss Bi-Fold Door were on site last week installing the new door. The new door became operational Friday afternoon. The new door includes dual electric motors, the new safety strap design, and an automatic latch system.

Mr. Collins pointed the Commissioners to the draft copy of the Economic Impact Study of Mt. Vernon Outland Airport that is included in their booklets. The circumstances surrounding the study are explained in the e-mail from IDOT, IDA's Dr. Susan Shea and in the opening remarks of the study. Mr. Collins noted the numbers exceeded his expectations and they don't even include ARDL or ProjectResourcesIT, LLC (these are non-aviation entities). He said that he looks forward to the day these numbers are released to the media, probably in early September!

EXECUTIVE SESSION

There being no items to discuss in Executive Session, Chairman Martin 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.