

**DuPAGE AIRPORT AUTHORITY
FINANCE, BUDGET AND AUDIT COMMITTEE
WEDNESDAY, JUNE 11, 2014**

A meeting of the Finance, Budget and Audit Committee of the DuPage Airport Authority Board of Commissioners was convened at the DuPage Flight Center, 2700 International Drive, West Chicago, Illinois, First Floor Conference Room, on Wednesday, June 11, 2014. Chairman Huizenga called the meeting to order at 1:30 p.m.

Commissioners Present: Donnelly, Huizenga, Posch, Wagner

Commissioners Absent: None

DuPage Airport Authority Staff Present: Executive Director David Bird; Mark Doles, Director of Aviation Facilities and Properties; Byron Miller, Director of Operations; Patrick Hoard, Director of Finance; John Schlaman, General Manager, Prairie Landing Golf Club; Dan Barna, Procurement Manager; Pamela Miller, Executive Assistant and Board Liaison.

Others: None.

OLD BUSINESS

None

NEW BUSINESS

REVIEW OF FINANCIAL STATEMENTS

Mr. Hoard proceeded to review the Financial Statements:

Operating Revenues:

Airport Operations increased 3% over budgeted amount.

Flight Center Fuel Operations increased 7% over the budgeted amount.

Prairie Landing Golf Club is 16% below the budgeted for the year.

Total Operating Revenues overall are at 4% actual versus budget.

Operating Expenses:

Airport Operations increased 3% from the budgeted amount for the year.

Flight Center Fuel Operations increased 4%.

Prairie Landing Golf Club is 11% below budget year-to- date; there was a slow start to the golf season due to weather.

Total Operating Expenses are down 11% from budgeted amount for the year.

Net Profit from Operations have increased significantly from the amount budgeted; \$32,000.

Total Non-Operating Revenues increased 66%, actual versus budget for the year.

Capital Development Program: Many projects underway. Spending for these projects will be reflected in financials later this year.

Cash Ending Balance is at \$25 million

Overall the Airport Authority is doing well across the budget. Discussion followed.

Proposed Resolution 2014-1857; Authorizing the Execution of a Non Federal Reimbursable Agreement between the Department of Transportation Federal Aviation Administration and the DuPage Airport Authority to Provide Airport Traffic Control (ATC) Services at the DuPage Air Traffic Control Tower.

Mark Doles explained this resolution is brought to the Board annually to continue an agreement with the FAA to fund night time operations for the Air Traffic Control Tower. He continued that the Airport has contracted with the FAA since 1998 to provide 24-hour night time staffing between the hours of 10:00 p.m. and 6:00 a.m. He added this provides safety for our customers, tenants, staff and surrounding communities and also enhances our ability to attract and retain aviation businesses for the Airport. Mr. Doles advised the only other airports in Chicagoland that maintain a 24-hour operational tower are O'Hare and Midway and are totally funded by the FAA. He continued that other General Aviation Airport towers close between the hours of 10:00 p.m. and 6:00 a.m. He continued to explain about a substantial rate increase in 2011 due to FAA's changes in their staffing requirements requiring two controllers instead of one for the overnight shift. Mr. Doles discussed the specific terms of the FAA Agreement and discussion followed. Staff recommended approval.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2014-1857; Authorizing the Execution of a Non Federal Reimbursable Agreement between the Department of Transportation Federal Aviation Administration and the DuPage Airport Authority to Provide Airport Traffic Control (ATC) Services at the DuPage Air Traffic Control Tower. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (4-0).

Proposed Resolution 2014-1858; Award of Contract to Eco Clean Maintenance for Janitorial Services.

Dan Barna discussed award of the janitorial services contract to Eco Clean Maintenance and advised the current contract will expire on August 1, 2014. He briefly explained the work required under this contract for the Flight Center and Maintenance Buildings; Government Center and several hangar offices. Mr. Barna advised that six bids were received and after evaluation the two lowest bids were determined to be non-responsible due to prior performance issues and unsatisfactory service. Discussion followed. Staff is recommending the contract be awarded to the next lowest bidder, Eco Clean Maintenance. Mr. Barna added there have been additional performance standards built into the new contract and staff will hold Eco Clean Maintenance to this required level of service; if the company does not perform during the first year, the contract will again go out for bid with no options exercised. He added the Airport Authority has the ability to cancel the contract at any time without cause with a 30-day notice. Staff recommended Board approval.

MOTION was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2014-1858; Award of Contract to Eco Clean Maintenance for Janitorial Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Proposed Resolution 2014-1859; Award of Contract to UBM Mechanical Services for On-Call HVAC Repair and Maintenance Services.

Mr. Barna explained that the Airport Authority utilizes a Master Agreement for an HVAC contractor to provide on call repair and maintenance services; KCW is the current provider and their agreement expires at the end of May 2014. He reported that five bids were received and a bid protest was filed by UBM Mechanical Services immediately when the bids were opened due to an error shown on one of the bid document pages for their Journeyman rate. The hourly rate had been incorrectly stated at \$71.50 per hour rather than \$91.50. Staff immediately involved legal staff to review this protest and there was sufficient supporting information in the bid documents to agree with UBM's explanation that a typographical error was made and the rate was correctly show as \$91.50 per hour on the other pages of the bid document. UBM Mechanical Services was initially the low bidder and with the correction in their bid document remained the low, responsive and responsible bidder. Staff recommended approval of the award to UBM Mechanical Services.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2014-1859; Award of Contract to UBM Mechanical Services for On-Call HVAC Repair and Maintenance Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Proposed Resolution 2014-1871; Authorization to Include Compensation Paid Under an Internal Revenue Code Section 125 Plan as IMRF Earnings.

Patrick Hoard explained the Illinois Municipal Retirement Fund (IMRF) gives participating employers the option to include employees' earnings for retirement benefit purposes only, as compensation paid under an IMRF Code Section 125 Cafeteria Plan. He added that the Airport Authority has been reporting earnings in this manner since at least 2003 and most likely always reported in this manner. Mr. Hoard advised this proposed resolution officially states the Airport Authority will continue our current action and insures it will remain the same going forward as required by the IMRF. Mr. Hoard explained this presents no impact to the Airport Authority and staff recommends Board approval.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2014-1844; Award of Bid to J. W. Turf, Inc. for the Procurement of One (1) 2014 Model 4 WD Compact Utility Tractor with Front Loader Attachment. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (4-0).

Proposed Resolution 2014-275; 2014-2015; Prevailing Rate of Wages.

Mr. Hoard explained this Proposed Ordinance is passed each year by the Board establishing that the Airport Authority will investigate and ascertain the current prevailing rate of wages for any contractor or company performing construction or public works activities at the Airport. The State of Illinois, by statute, requires passage of this Ordinance annually and staff recommended Board approval.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2014-275; 2014-2015; Prevailing Rate of Wages. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Other Business

None

A **MOTION** was made by Commissioner Donnelly to adjourn the Finance, Budget and Audit Committee; the **motion was seconded** by Commissioner Posch and was passed unanimously by voice vote. The meeting adjourned at 2:02 p.m.

Adopted at the September 24, 2014 Board Meeting

Peter H. Huizenga, Chairman

Finance, Budget and Audit Committee