

**DuPAGE AIRPORT AUTHORITY
FINANCE, BUDGET AND AUDIT COMMITTEE
WEDNESDAY, SEPTEMBER 24, 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, September 24, 2014. Chairman Huizenga called the meeting to order at 1:06 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; Becky Taylor, Accountant for Prairie Landing Golf Club; John Schlaman, General Manager, Prairie Landing Golf Club; Dan Barna, Procurement Manager; Pamela Miller, Executive Assistant and Board Liaison.

Others: Mike Toth; J.A. Watts, Inc.

OLD BUSINESS

None

NEW BUSINESS

REVIEW OF FINANCIAL STATEMENTS

Mr. Hoard proceeded to review the Financial Statements:

Operating Revenues:

Airport Operations increased 6% over budgeted amount.

Flight Center Fuel Operations increased 8% over the budgeted amount.

Prairie Landing Golf Club is 9% below budget for the year.

Total Operating Revenues overall are at 5% actual versus budget.

Operating Expenses:

Airport Operations increased 4% from the budgeted amount for the year.

Flight Center Fuel Operations increased 5%.

Prairie Landing Golf Club is 6% below budget year-to- date.

Total Operating Expenses are up 3% actual versus budget.

Net Profit from Operations have increased significantly from the amount budgeted; 77%.

Total Non-Operating Revenues are up 7% actual versus budget.

Total Non-Operating Expenses increased actual versus budget because of property taxes at the golf course.

Net profit from Non-Operations up 6% actual versus budget; 113%. *Net Profit Excluding Operations* increased 14% actual versus budget.

Capital Development Program: 7.6 million spent up to this point and spending will continue to increase through the end of the year.

Cash Ending Balance is at \$21.7 million; \$5.6 million decrease from the beginning of the year; \$27.3 million.

Mr. Hoard provided a preliminary review for the proposed 2015 Budget, reviewing each department. He stated that in late October the Finance Committee will have an opportunity for a working review of the 2015 Tentative Budget and Appropriations at a Special Finance Committee Meeting. The 2015 Tentative Budget and Appropriations will be brought to the November regular meeting of the Finance Committee for final review prior to presenting to the Board for consideration and approval. The committee briefly discussed the property tax abatement for the 2015 budget year.

Resolution 2014-1873; Resolution for the Disposal/Destruction of Surplus Personal Property.

– To approve disposition of surplus personal property by internet auction. Items include door frames, projection screen, salad bar, and 1992 OshKosh plow truck.

Executive Director Bird asked Dan Barna to begin discussion of the resolutions. Mr. Barna provided a picture of each item to be sold and discussion followed briefly. Staff recommended approval.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2014-1873; Resolution for the Disposal/Destruction of Surplus Personal Property. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (4-0).

Resolution 2014-1874; Award of Bid to Nachurs Alpine Solutions for the Procurement of Sodium Formate Runway Deicing Materials.

– To approve the procurement of up to 12 tons of Sodium Formate solid deicing/anti-icing compound for an amount not-to-exceed \$22,169.40 for the 2014-2015 winter season.

Mr. Barna continued that this resolution will allow the Airport Authority to purchase runway deicing materials for the winter season. He reviewed the amounts needed for this year and costs. Staff recommended approval. Discussion followed.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2014-1874; Award of Bid to Nachurs Alpine Solutions for the Procurement of Sodium Formate Runway Deicing Materials. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Resolution 2014-1875; Award of Bid to Nachurs Alpine Solutions for the Procurement of Potassium Acetate Runway Deicing Fluid.

– To approve the procurement of up to 8,800 gallons of potassium acetate runway deicing fluid for an amount not-to-exceed \$40,568.00 for the 2014-2015 winter season.

Mr. Barna explained that the Airport Authority each year also purchases deicing fluids for runway deicing applications. This resolution represents the anti-icing fluids needed for this winter season. He reviewed the amounts to be purchased and costs. Staff recommended approval.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2014-1875; Award of Bid to Nachurs Alpine Solutions for the Procurement of Potassium Acetate Runway Deicing Fluid. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (4-0).

Resolution 2014-1876; Award of Contract to Discipio Enterprises, Inc. for Snow Removal Services.

– To approve a Contract for snow removal services, commencing on October 15, 2014 and continuing through April 15, 2015 for providing snow removal services upon the accumulation of 2" of snow. Hourly rates including operator of \$75 for pickup truck, \$90 for skid loader, \$115 for end loader and \$25 for shoveling labor.

Mr. Barna explained that each snow season the Airport Authority utilized a snow removal contact that responds to the property upon the accumulation of 2 inches of snow or if called by staff. The Airport maintenance crews are dedicated to moving snow and ice from the airfield, runways and taxiways; this company will remove snow and ice in parking lots and sidewalks outside the fence. He continued that four (4) bids were received and the low responsive, and responsible bidder was Discipio Enterprises, Inc. Discussion followed and staff recommended approval.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2014-1876; Award of Contract to Discipio Enterprises, Inc. for Snow Removal Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Resolution 2014-1877; Award of Bid to Faulks Brothers Construction for the Procurement of Golf Course Greens Construction Mix.

– To approve the procurement of up to 800 tons of golf course greens construction mix for an amount not-to-exceed \$33,200.00.

The Prairie Landing Bunker renovation project requires purchasing several different construction materials and this is the final remaining material to be purchased; 800 tons of golf course greens construction mix. Mr. Barna advised this was bid initially with only one bid received. As required by the Procurement Code, this product was bid for a second time with still only one bid received. Faulks Brothers Construction is recommended for award and Mr. Barna reviewed the project's scope of work and the costs involved for this final purchase. Discussion followed and staff recommended approval.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2014-1877; Award of Bid to Faulks Brothers Construction for the Procurement of Golf Course Greens Construction Mix. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (4-0).

Resolution 2014-1878; Award of Contract to Fox Valley Fire & Safety for Fire and Security Alarm Monitoring Services.

– To approve a Contract for fire and security alarm monitoring services, commencing October 1, 2014 and continuing through September 30, 2019. Annual monitoring fees of \$12,420.00.

Mr. Barna advised that the Airport Authority currently has 21 fire alarms and five (5) security alarm monitoring locations around the Airport. He continued that with these various contracts approaching their expiration this would provide an opportunity to solicit bids for a single alarm monitoring company for all of the buildings at the Airport. Three bids were received and Fox Valley Fire & Safety Alarm Monitoring Services was determined to be the low, responsive and responsible bidder.

Mr. Barna explained that the alarm monitoring industry normally requires a 7-year contract due to leasing requirements for alarm monitoring equipment and staff was able to negotiate a contract term of five years. The Airport Authority's Procurement Code allows the Executive Director to make that determination if a five-year contract is in the best interest of the Airport Authority. Staff recommended approval and discussion followed.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2014-1878; Award of Contract to Fox Valley Fire & Safety for Fire and Security Alarm Monitoring Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Resolution 2014-1879; Award of Contract to Combined Roofing Services LLC for On-Call Roofing Contractor Repair and Maintenance Services.

– To approve a Contract for On-Call Roof Repair and Maintenance Services, commencing on October 1, 2014 and continuing through September 30, 2016 for an amount not-to-exceed \$25,000.00 annually or \$2,500.00 per project. Services utilized on an as-needed basis.

Mr. Barna explained that the Building Maintenance Department utilizes the services of a commercial roofing contractor for various buildings located around the Airport. He continued to review this Master Agreement and the scope of work for these services. Four bids were received and the West Chicago Company, Combined Roofing Services LLC was the low bidder. Discussion followed and Staff recommended approval.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2014-1879; Award of Contract to Combined Roofing Services LLC for on-Call Roofing Contractor Repair and Maintenance Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Resolution 2014-1880; Award of Contract to Builders Chicago Corporation for On-Call Electric Gate Operator Repair and Maintenance Services.

– To approve a Contract for On-Call Electric Gate Repair and Maintenance Services, commencing on October 1, 2014 and continuing through September 30, 2016 for an amount not-to-exceed \$25,000.00 annually or \$2,500.00 per project. Services utilized on an as-needed basis.

Mr. Barna continued that the Building Maintenance Department also utilizes a Master Agreement for an on call gate operator contractor for repair and maintenance of the hydraulic vehicle gates throughout the Airport. He reviewed the Master Agreement and scope of work for these services. Discussion followed and Staff recommended approval.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2014-1880; Award of Contract to Builders Chicago Corporation for On-Call Electric Gate Operator Repair and Maintenance Services. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (4-0).

Resolution 2014-1881; Award of Contract to Gary Spielman Plumbing for On-Call Plumbing Repair and Maintenance Services.

– To approve a Contract for On-Call Plumbing Repair and Maintenance Services, commencing on December 1, 2014 and continuing through November 30, 2016 for an amount not-to-exceed \$25,000.00 annually or \$2,500.00 per project. Services utilized on an as-needed basis.

Mr. Barna reviewed the Master Agreement for on-call plumbing repair services and advised three bids were received for this award. Upon evaluation of the bids it was determined that Gary Spielman Plumbing is a qualified local bidder and as defined in the Procurement Code, Spielman was advised of the opportunity to provide an alternate substitute bid, since the lowest bid was a Kane County company. Upon receipt of the notice Gary Spielman submitted a substitute bid and was determined to be the low responsive, responsible bidder. Discussion continued briefly and staff recommended approval.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2014-1881; Award of Contract to Gary Spielman Plumbing for On-Call Plumbing Repair and Maintenance Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (4-0).

Resolution 2014-1882; Award of Contract to FDG Electric for On-Call Electrical Repair and Maintenance Services.

– To approve a Contract for On-Call Electric Repair and Maintenance Services, commencing on October 1, 2014 and continuing through September 30, 2016 for an amount not-to-exceed \$25,000.00 annually or \$2,500.00 per project. Services utilized on an as-needed basis.

The Airport Authority's Maintenance Department utilizes the services of a licensed electrician throughout the Airport on an as-needed basis. Mr. Barna advised that two bids were received and FDG Electric was the low responsive, responsible bidder. This is also a Master Agreement and he reviewed the scope of work for these services. Discussion followed and Staff recommended approval.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2014-1882; Award of Contract to FDG Electric for On-Call Electrical Repair and Maintenance Services. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (4-0).

Resolution 2014-1883; Authorizing the Execution of a Contract with Aruba Networks for Access Control System Technical Support Services.

– To approve a contract for wireless mesh radio back support and continuing technical support subscription in the amount of \$24,007.62 for the period of July 1, 2009 – October 5, 2014 to validate equipment warranty.

Mr. Barna advised there are 31 wireless mesh radios across the Airport and problems with the system have been ongoing. He continued to explain the wireless mesh access control system and the nature of the problems. Mr. Barna explained that to correct these issues, the Airport Authority needs to purchase a back support subscription from Aruba Networks, the wireless mesh radio manufacture, which will validate the limited lifetime warranty and provide software and technical support for the wireless mesh network. When the current system was installed, the original contractor never paid for a support agreement with the original manufacturer. Executive Director Bird advised that after some research it was determined that the Airport Authority was never charged for this contract initially because the contractor did not establish the agreement. He continued that to secure retroactive warranty coverage, the Airport Authority will have make the start date of the agreement the same as the date of installation to obtain the lifetime warranty and to secure all of the needed upgrades. Discussion continued and staff recommended approval.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2014-1883; Authorizing the Execution of a Contract with Aruba Networks for Access Control System Technical Support Services. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (4-0).

Resolution 2014-1884; Appointing the Firm of Next Generation Public Affairs, Inc. for Providing Lobbyist Services to the DuPage Airport Authority.

– To approve a Contract for lobbyist services, commencing October 1, 2014 and continuing through September 30, 2016, subject to an additional one (1) year extension. Fixed annual fee of \$60,000.00.

Executive Director Bird advised that previously the Airport Authority had partnered with DuPage County for lobbyist services and utilized the BGR Group for lobbyist services. He continued that the IGA with DuPage County expired on August 31, 2014 and Chairman Davis and County Board Chairman Cronin felt it would be in the best interest of the Airport Authority to contract directly with a firm that could work with the State of Illinois to secure funding for Airport projects. The Airport Authority issued an (RFP) Request for Proposal for lobbyist Service and two firms responded with proposals. An evaluation panel was established and the panel recommended Next Generation Public Affairs for approval to provide lobbyist

services for the Airport Authority. The term will commence on October 1, 2014 through October 1, 2016 with a one year option for extension; the fixed annual fee is \$60,000. Staff recommended approval and discussion followed.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2014-1884; Appointing the Fire of Next Generation Public Affairs, Inc. for Providing Lobbyist Services to the DuPage Airport Authority. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (4-0).

Other Business

None

A **MOTION** was made by Commissioner Wagner 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 1:58 p.m.

Approved at the November 12, 2014 Board Meeting

Peter H. Huizenga, Chairman

Finance, Budget and Audit Committee