

**DuPAGE AIRPORT AUTHORITY
FINANCE, BUDGET AND AUDIT COMMITTEE
WEDNESDAY, MARCH 18, 2015**

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, March 18, 2015. Committee Chairman Huizenga called the meeting to order at 1:05 p.m. and a quorum was present.

Commissioners Present: Donnelly, Huizenga, Ledonne, Posch, Wagner

Commissioners Absent: None

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

Others:

Johnny Jackson, CH2M Hill.

OLD BUSINESS

None

REVIEW OF FINANCIAL STATEMENTS

Patrick Hoard advised that Auditors have completed all on site work at the Airport Authority and a draft of the audit report will be provided to staff in late April. Representatives from Sikich will present the Audit report at the May Board Meeting.

Patrick Hoard proceeded to review the Financial Statements:

Operating Revenues:

Airport Operations revenues are on budget for this month.

Flight Center Fuel Operations decreased 14% from the budgeted amount.

Prairie Landing Golf Club revenues increased 24% year-to-date.

Total Operating Revenues overall are down 9% actual versus budget.

Operating Expenses:

Airport Operations expenses decreased 10% from budget.

Flight Center Fuel Operations decreased 30%

Prairie Landing Golf Club is 12% below actual versus budget.

Total Operating Expenses decreased 21% actual versus budget.

Net Profit from Operations increased significantly from the amount budgeted.

Total Non-Operating Revenues increased significantly from budget.

Total Non-Operating Expenses are flat.

Net profit from Non-Operations and *Net Profit Excluding Depreciation* both increased significantly actual versus budget.

Capital Development Program: Does not yet reflect increased spending costs for new transient hangar construction.

Cash Ending Balance is nearly \$15.3 million.

Discussion followed.

NEW BUSINESS

Proposed Ordinance 2015-282; Revisions to the DuPage Airport Authority Procurement Code.

Executive Director Bird advised that staff met with the Policy Committee on March 4 and explained the revisions recommended for the Procurement Code: One material change to include provisions for utilizing design build for the new transient hangar construction and updates related to various sealed-bidding dollar thresholds changing from \$10,000 to \$15,000 to accommodate growth inflation covering a future 10-year period. Discussion followed.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Ordinance 2015-282; Revisions to the DuPage Airport Authority Procurement Code. The **motion was seconded** by Commissioner Ledonne and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1918; Resolution of the DuPage Airport Authority Relating to Designated Depositories of DuPage Airport Authority and Persons Authorized to Sign Checks, Drafts or other Order for the Payment of Money Drawn in the Name of the Authority.

Executive Director Bird explained that approval of this resolution will allow the Board's signature authority to be updated with MB Financial and PNC Financial. Discussion followed.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2015-1918; Resolution of the DuPage Airport Authority Relating to Designated Depositories of DuPage Airport Authority and Persons Authorized to Sign Checks, Drafts or Other Order for the Payment of Money Drawn in the Name of the Authority. The **motion was seconded** by Commissioner Ledonne and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1919; Award of Bid to Burriss Equipment for Procurement of One (1) 2 WD Diesel Fairway Mower.

Approves the procurement of one (1) Jacobsen LF550 Fairway Mower for \$47,521.75.

Executive Director Bird asked Dan Barna to review this proposed resolution. Mr. Barna advised the new mower would replace a 2002 model unit that is no longer repairable. He added that three bids were received and Burriss Equipment Company was the low, responsive and responsible bidder. The lowest bid was slightly more than the amount budgeted however sufficient funds are available in the Capital Budget for procurement of this mower.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2015-1919; Award of Bid to Burriss Equipment for Procurement of One (1) 2WD Diesel Fairway Mower. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1920; Award of Bid to Burriss Equipment for Procurement of Two (2) Triplex Greens Mowers.

Approves the procurement of two (2) Jacobsen Greensking IV Plus mowers for \$52,573.

Mr. Barna advised these units will replace two units purchased in 2003 that have reached the end of their useful life and will be disposed of on *eBay* later in the year. Mr. Barna stated that three bids were received and Burriss Equipment was the low, responsive and responsible bidder at a price below the amount budgeted for this purchase.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Resolution 2015-1920; Award of Bid to Burris Equipment for Procurement of Two (2) Triplex Greens Mowers. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1921; Award of Bid to Burris Equipment for Procurement of One (1) Bedknife Grinder.

Approves the procurement of One (1) Near 277 Semi-Automatic Bedknife Grinder for \$13,539.

Mr. Barna advised three bids were received with Burris Equipment being the low, responsive and responsible bidder and is under the amount budgeted for procurement of this piece of equipment. Discussion followed.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2015-1921; Award of Bid to Burris Equipment for Procurement of One (1) Bedknife Grinder. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1922; Award of Bid to Reinders Inc. for the Procurement of Golf Course Irrigation Rotors.

Approves the procurement of 234 golf course irrigation system rotor heads for \$45,288.

Mr. Barna advised Reinders Inc. will replace 234 golf course irrigation system rotors for Prairie Landing Golf Course. The replacement will make the existing irrigation system more efficient and environmental friendly. There were three bids received and Reinders Inc. was the low bidder at \$1200 over the amount budgeted for this project; sufficient funds are available in the Capital Budget to cover procurement of the golf course irrigation rotors.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2015-1922; Award of Bid to Reinders Inc. for the Procurement of Golf Course Irrigation Rotors. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1923; Award of Contract to Valley Linen Supply for Linen and Towel Rental Services.

Approves a one (1) year contract, subject to two (2) one (1) one year extensions for tablecloth, napkin and towel rental. Anticipated annual cost of \$20,000.

Mr. Barna stated Prairie Landing Golf Course utilizes a linen and towel rental service and the existing contract for these services will expire in March 2015. He advised two bids were received and Valley Linen Supply was the low, responsive and responsible bidder. Mr. Barna reviewed the terms of the contract and discussion followed.

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2015-1923; Award of Contract to Valley Linen Supply for Linen and Towel Rental Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1924; Award of Bid to Multiple Vendors for the Procurement of 2015 Golf Course Turf Maintenance Supplies.

Approves as-needed Purchase Order contracts from Reinders Inc., John Deere Landscapes, Conserv FS, Masterblend International, and Arthur Clesen for 2015 turf maintenance supplies not-to-exceed \$80,000.

Mr. Barna explained that each year Prairie Landing Golf Club secures guaranteed pricing for buying turf maintenance products. The award of this bid will authorize these products to be purchased on an as-needed basis from a group of eligible vendors. He related that nine bids were received and the following vendors were determined to be the low, responsive and responsible bidders for each of the products: Reinders Inc.; John Deere Landscapes; Conserv FS; Masterblend International; Arthur Clesen. Discussion followed.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2015-1924; Award of Bid to Multiple Vendors for the Procurement of 2015 Golf course Turf Maintenance Supplies. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1925; Award of Bid to Masterblend International LLC for the Procurement of 2015 Airport Turf Maintenance Supplies and Services.

Approves as-needed Purchase Order Contracts from Masterblend International for 2015 turf maintenance supplies and application services not-to-exceed \$15,000.

Mr. Barna explained that Masterblend International LLC was determined to be the low responsive and responsible bidder to provide turf maintenance supplies for the Airport; five bids were received. Mr. Barna continued that Masterblend provided these services for the Airport Authority last year and staff felt they did a good job. Discussion followed.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2015-1925; Award of Bid to Masterblend International LLC for the Procurement of 2015 Airport Turf Maintenance Supplies and Services. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1926; Authorizing the Purchase of One (1) AWD 100 HP Tractor from the Rock Island County Joint Purchasing Contract.

Approves the procurement of (1) 2015 Model John Deere 6115D Cab Tractor for \$55,690.60.

Mr. Barna stated the Airport Authority Procurement Policies and the Illinois Government Joint Purchasing Account allows the use of contracts or agreements that have been competed previously by other government entities. The Airport Authority requests approval to utilize a Joint Purchasing Contract with County Rock Island and John Deere for a tractor that conforms to the Airport Authority's requirements for this type of vehicle. Discussion followed

A **MOTION** was made by Commissioner Posch to recommend Board approval of Proposed Resolution 2015-1926; Authorizing the Purchase of One (1) AWD 100 HP Tractor from the Rock Island County Joint Purchasing Contract. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1927; Authorizing the Purchase of One (1) 4 X 4 Pickup Truck from the State of Illinois Joint Purchasing Contract.

Approves the procurement of one (1) Ford F250 Pickup Truck for \$24,485.

Mr. Barna advised that the Airport Authority is requesting to utilize the Joint Purchasing Contract with the State of Illinois and Rob Ridings for the procurement of a pickup truck to be utilized by

the Field Maintenance Department for areas around the airfield and will replace a 1995 model truck. Discussion followed.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Resolution 2015-1927; Authorizing the Purchase of One (1) 4 X 4 Pickup Truck from the State of Illinois Joint Purchasing Contract. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1928; Award of Master Agreement to Overhead Door Solutions, Inc. for On-Call Hangar Door Repair Services.

Approves a 2 year time and material Master Agreement for as-needed hangar door repair. Not-to exceed \$25,000 annually or \$5,000 per project.

Mr. Barna stated that the Airport Authority Maintenance Department utilized a hangar door repair services contractor for various types of hangar doors throughout the Airport. The services provided would be for bi-fold and sliding doors. He related there are six different types of hangar door mechanism on the airfield and there is only a shortlist of providers available for this service. He advised that two bids were received and the low responsive responsible bidder was Overhead Door Solutions, Inc. for this Master Agreement. He discussed the terms of this Master Agreement and advised Overhead Door Solutions currently provides these services for the Airport. Discussion followed.

A **MOTION** was made by Commissioner Donnelly to recommend Board approval of Proposed Resolution 2015-1928; Award of Master Agreement to Overhead Door Solutions, Inc. for On-Call Hangar Door Repair Services. The **motion was seconded** by Commissioner Wagner and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1929; Award of Contract to Preform Traffic Control Systems, Ltd for Pavement Marking Services.

Approves a 3-year contract for airfield and roadway pavement marking painting. Total authorized project cost of \$176,543.85 including a 10 % owner's contingency.

Mr. Barna stated that Preform Traffic Control Systems, Ltd. has provided pavement marking services for the Airport in past years. He continued that three bids were received and Preform Traffic Control Systems was again the low and responsive and responsible bidder for providing these services. Mr. Barna discussed the scope of this three year contract and the costs associated with this project. Discussion followed.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Resolution 2015-1929; Award of Contract to Preform Traffic Control Systems, Ltd. for Pavement Marking Services. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1930; Award of Bid to Clean Cut Tree Service, Inc. for Tree Removal Services.

Approves a contract for the removal of 136 trees and 9 tree stumps. Total authorized project cost of \$15,400 including a 10% owner's contingency.

Mr. Barna related a mandatory pre bid meeting was held to discuss this project and eleven bids were received; Clean Cut Tree Service, Inc. was the low bidder. He related that Clean Cut Tree Service's references were very good. Discussion followed.

A **MOTION** was made by Commissioner Wagner to recommend Board approval of Proposed Resolution 2015-1930; Award of Bid to Clean Cut Tree Service, Inc. for Tree Removal Services. The **motion was seconded** by Commissioner Posch and was passed unanimously by roll call vote (5-0).

Proposed Resolution 2015-1931; Delegation of Authority to the Executive Director to Accept and Enter Into Electric Power and Natural Gas Supplier Agreements.

Delegates the Executive Director the authority to accept best and final bids from Champion Energy, Integrys Energy and MidAmerican Energy, who were selected as finalists through a Request for Proposal (RFP) evaluation committee process; and to enter into an electric power and natural gas supply contract with the lowest bids.

Mr. Barna stated passage of this Resolution this will allow the Executive Director to enter into a contract with suppliers with the lowest bid for Electric Power and Natural Gas. He explained the Request for Proposal (RFP) process and evaluations of the six proposals received. He continued that after review by the Evaluation Committee, three firm contracts were submitted for legal review and Staff is now asking for the Executive Director's authorization to negotiate and enter into an agreement with one of these firms or two separate firms for each utility; natural gas and electric power services. Discussion followed regarding the costs savings expected and the terms of the contract.

A **MOTION** was made by Commissioner Ledonne to recommend Board approval of Proposed Resolution 2015-1931; Delegation of Authority to the Executive Director to Accept and Enter into Electric Power and Natural Gas Supplier Agreements. The **motion was seconded** by Commissioner Donnelly and was passed unanimously by roll call vote (5-0).

Other Business

None

A **MOTION** was made by Commissioner Posch to adjourn the Finance, Budget and Audit Committee; the **motion was seconded** by Commissioner Ledonne and was passed unanimously by voice vote. The meeting adjourned at 1:56 p.m.

Approved at May 20, 2015 Board Meeting
Peter H. Huizenga, Chairman
Finance, Budget and Audit Committee